

NORTHERN COUNTIES LAND USE COORDINATING BOARD
Minutes
Thursday, January 7, 2010
Iron Range Resource Reclamation Classroom, Chisholm, Minnesota

Call to Order: The meeting was called to order at 9:35 a.m. by the Chair Dennis Fink 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 Bob Fenwick, Cook
Commissioner Jim Johnson, Cook
Commissioner Charles Lepper, Koochiching
Commissioner Wade Pavleck, Koochiching
Commissioner Rich Sve, Lake
Commissioner Todd Beckel, Lake of the Woods
Commissioner Jack Swanson, Roseau
Commissioner Dennis Fink, St. Louis

Others Present:

Craig Engwall, Department of Natural Resources
Elaine Palcich, Chisholm resident
Douglas Skrief, NCLUCB Staff

Administrative Actions

1. Election of Officers: (All candidates elected unanimously)

Chair: Nomination of Dennis Fink

m. Napstad s. Fenwick

Motion to close nominations and elect on a unanimous ballot

m. Pavleck s. Napstad

Vice Chair: Nomination of Brian Napstad

m. Swanson s. Pavleck

Motion to close nominations and elect on a unanimous ballot

m. Swanson s. Sve

Treasurer: Nomination of Steve Raukar

m. Pavleck s. Fenwick

Motion to close nominations and elect on a unanimous ballot

m. Napstad s. Beckel

Following elections Comm. Napstad applauded the work of past officers, including their work at NACo. It was noted that Comm. Raukar as a representative of St. Louis County will be in position as Treasurer during the future melding of accounts, which are held for the Board by St. Louis County.

2. Approval of Minutes: December 3, 2009 meeting

m. Beckel s. Napstad

3-4. Financial Report and Bills:

The Chair reported a general account balance of \$80,701.96 and a Land Use Conflict Management balance of \$15,005.28. Total accounts balance, after payment of approved expenses of \$702.90: \$95,707.24.

The Executive Director submitted an invoice for \$214.89 for one month of professional services and expense reimbursement. It was noted that \$55.00 for the December 3 meeting hall was paid.

m. Lepper s. Johnson

5. Dues Invoices:

It was noted that dues invoices for one-half of the usual amount for 2010 have been sent.

Correspondence

1. An invitation to the Outdoor Heritage Fund Stakeholders Forum on January 7 was noted. The Chair reported that the St. Louis County Land Department had expressed little interest in attending. In speaking with lobbyist John Ongaro about a forthcoming meeting with State Rep. Mary Murphy on Lessard Sams Heritage Council issues, including PILT, it became evident to the Chair that environmental groups are considering ways of accessing council funds; he suggested that counties might be thinking along similar lines and also how northern counties might have greater influence on decision making. One question is how broad a constituency is being considered. Comm. Beckel noted that the same question of access to funds was asked at a meeting of the Joint Powers Natural Resources Board. He distributed a presentation outline on Land and Legacy Amendment History and Direction. Some disagreement occurred at the Natural Resources Board meeting as to the extent of PILT payments. Question was raised by NCLUCB as to whether to invite Exec. Dir. Bill Becker to a NCLUCB meeting or having NCLUCB attend a meeting of their group, which does travel.

Comm. Swanson pointed out the importance of a box in the handout: "Upcoming Land Acquisition Issues". He asked if NCLUCB had asked for an ex officio seat on the council. The Chair recalled that NCLUCB had asked for a representative from the northern part of the state and that a person from northern Minnesota was a nominee. The Chair asked if a letter should be sent to Mr. Becker in invitation or in suggestion that representatives from NCLUCB attend their meeting. Comm. Pavleck suggested recommending that someone knowledgeable in the relevant issues be present when discussions are held. The Chair responded that that is why Rep. Mary Murphy is being invited to meet in anticipation of her committee meetings. Comm. Swanson pointed to the argument made to him that northern counties should be happy with PILT because it pays at a higher rate than private property taxes. If you only looked at a single portion of PILT that might seem true, commented the Chair, but there are various classes. Comm. Johnson recommended establishing a dialogue. Representatives might be exchanged. In addition, he recalled, a letter was sent to protest lack of northern representation, which the current decision-making negatively reflects. Comm. Beckel underscored that Mr. Becker is willing to dialogue. He also noted that spending on education is not a priority; "brick-and-mortar" acquisition is more desirable. Spending in southern Minnesota quickly leads to difficulties, such as running into drainage system conflicts, so spending in northern Minnesota is preferable where tensions are already high. As for spending on easements, the future is unclear.

Mr. Engwall noted a \$2.7 million St. Louis River estuary restoration project as an example of a good project that did not involve acquisition that was zeroed out. Comm. Fenwick recommended using NCLUCB to respond to AMC on PILT as they have passed what might be termed a work in progress that will likely become metro-centered without input; AMC should have a position. The Chair responded that an overriding position was needed to begin discussion. He pointed out that the issue is broader than the discussion allowed. Two sets of information are being presented. Comm. Fenwick encouraged seeing PILT as PILT and separate from other funds or it will be vulnerable to being discontinued – and that that discussion at AMC must be influenced. Just because there is not funding with the legacy money to pay PILT, why should PILT not be paid on the acquisition, he asked; you can buy the land you want to buy, but you will pay PILT, he summarized.

Comm. Napstad related a constituent's situation in which he acquired a 1,000-acre wild rice farm that is littered with ducks though prone to drainage and fertilization issues. The purchaser offered the Lessard Sams Council the property to be open to the public with an easement while he would cease operations. His project was not reviewed. In fact, not one private person's project was considered. While the project was late to the table, responded Comm. Napstad, the perception remains that SWDs and the DNR usurped the funding. The Chair responded that it is early to make that determination. For example, Forests for the Future could not be fully funded the first year. Also, other projects were in progress beforehand. Comm. Napstad pointed out that projects that do not involve PILT are being submitted. Mr. Engwall pointed out a smaller fund now available, which might decrease any perception of a bias.

The Chair summarized that a letter to the natural resources board would be appropriate including: an invitation to Bill Becker to attend NCLUCB; a request to have an audience with them at one of their meetings; and to include AMC as a player in this interchange. Sending a copy to Annalee and Jim Molder would be included. Also, to get AMC's position from them would be helpful. A time frame would be helpful, added Comm. Beckel.

2. An invitation to a Reinventing Environmentalism conference on Feb. 26-27 together with an agenda was noted. Organizer of the conference, Don Parmeter, will be addressing NCLUCB in February.

The question of “Who Is in Charge” will be addressed by Robert Cope and the Chair. The conference will be similar to others organized by Mr. Parmeter. Mr. Fenwick asked whether Mr. Parmeter would be attending the stakeholders meeting (above), suggesting that he might be a source for information on what occurs.

3. An invitation to the Heart of the Continent General Meeting Feb. 4-5 in Thunder Bay was noted, which conflicts with the next NCLUCB meeting. The Chair has met with the new HOCP chair, Doug Franchot who is encouraging attendance of a core group involved with HOCP to attend training in West Virginia on “Balancing Nature and Commerce in Communities that Neighbor Public Lands,” which is not part of the National Parks gateways communities training program. Attendees are encouraged to pay their own way. The Chair turned down an invitation to attend. Comm. Johnson asked about previous trainings and the note in the meeting notice that International Falls had been involved. Comm. Lepper related that Comm. Pavleck had been skeptical about the process but after attending a similar gateways community training by the National Parks Service and was very positive about the experience. Staff of the DNR are attending meetings but not participating in HOCP, added Mr. Engwall.

Discussion Issues

LOCAL

1. Roseau County Land Asset Pilot Project: Comm. Swanson related the year-long involvement of his county in a pilot project, together with the DNR, to exchange county land for state land. The underlying premise is that Roseau County and the DNR would approach the legislature together to explain the program and the need for changes in law. He suggested that Mike Carroll of the DNR be asked to attend NCLUCB to discuss the process. Mr. Engwall added that laws were changed two years ago to allow for expedited exchanges of state-acquired lands; this does not include the transfer of trust lands. Comm. Napstad recounted an Aitkin County pilot project of swapping private for county land to better manage forests and that LCCMR has made accessible \$250,000 to purchase private property in order to turn it back into county land, and then a piece of county land is put up for sale at county auction to replenish LCCMR funds. This improves land use without use of tax dollars in a private-county land exchange.

2. Letter in support of PolyMet: The Chair reviewed a request by the Board to draft a letter in support of the PolyMet draft Environmental Impact Statement on its proposed NorthMet non-ferrous mine on the Mesabi iron range. A draft was distributed. The Chair noted that points were distributed by PolyMet that would not be unique. Lake County sent out its own letter, which the Chair has available for inspection; in the letter, Lake County talked of 400 jobs and 500 spin-off jobs and the sound environment to be re-established. The EIS did suggest “technology alternatives” without mentioning them, to which the Chair suggested attention be drawn and specific mention requested for purposes of comparison. Comm. Napstad suggested that to restrict the scope of an EIS evaluation, it must be limited, and to ask for more information can derail or postpone approval. Discussion concluded that as PolyMet is not concerned about this point and that the Board’s draft letter already states that the Board puts confidence in the protections in place and that to proceed beyond that point is to go beyond the Board’s scope. The Board by consensus agreed to send a copy of the letter proposed.

3. Kennicott Mining: Comm. Napstad related that Kennicott Mining is exploring copper sulfide mining in Aitkin County. The company is exercising their right to acquire properties. The expectation is that Kennicott will buy mineral rights at DNR mineral auction. They are moving from exploration to pre-mining evaluation stage. Conversations similar to those concerning PolyMet may ensue.

4. Aitkin County Environmental Services and MPCA Plan: The county’s environmental services department asked the Aitkin County Board to adopt a resolution drafted by Polk County not to adopt MPCA rules on septic systems, Comm. Napstad related. Several northern Minnesota counties are opposing new MPCA rules. Roseau County, explained Comm. Swanson, is in opposition because the rules have not actually been written and is awaiting same. Comm. Napstad asked his board about consequences of not adopting; Koochiching County, for example, did not adopt 1999 rules until 2009. For Aitkin County, a consequence of not adopting could lead to the potential withholding of the natural resources block grant of \$75,000. The leverage the MPCA applied on Koochiching County was such. Comm. Napstad sees no need to adopt in the next month rather than the next two to three years. Comm. Swanson added that a withhold of \$10,000 in Roseau County would be weighed against adoption, which would cost \$20-30,000. The Chair asked about the sample document offered by AMC that only requires adoption. Comm. Johnson related that in Cook, as in other counties, the terrain and disposal systems are unique and no overarching plan will allow for differences without further discussion; February is too soon to work out details, he noted. Lack of disposal sites are an issue in rocky terrain, as is lack of gravel.

STATE

1. Outdoor Heritage Council Projects Funding Recommendations: The director noted releases included in member packets outlining projects funded by the council and the Conservations Partners Legacy, a smaller pool of \$16.5 million.

2. Legislative Update of the Clean Water Council: The Chair distributed a legislative update of December 2009 of the Clean Water Council as well as the Biennial Report of the CSC (its "Progress and Recommendations") of December 2008. Mr. Engwall commented on there being one member of twenty-three on the council from north of Buffalo, Minnesota. The Chair noted a similar situation regarding a parks and trails commission made up of only metropolitan area representatives.

Comm. Fenwick strongly suggested that MRCC should be encouraging AMC to pick up this issue as AMC is mandated to represent all counties. Comm. Swanson noted that MRCC would be meeting the following week and making a priority of trials and funding. AMC is included in the Outdoor Heritage Council stakeholders meeting (above), but rural representation is lacking, added the Chair, allowing that other counties are at less than one percent public ownership and may not have the same dedication to land use issues. Comm. Lepper advocated for a more active role by NCLUCB. Comm. Swanson encouraged that Comm. Beckel bring the issue to the table at the following week's MRCC meeting. Comm. Fenwick suggested that AMC not be involved in issues concerning individual counties, such as PILT, and similar funding issues, rather MRCC might be better suited due to closeness to the issue. Comm. Napstad suggested the issue may be structural rather than tactical, and that it might be appropriate for a "northern caucus" including NCLUCB, AMC and MRCC to address it together. MRCC or a similar group may be appropriate to represent all rural counties. Projects are not balanced geographically. The Governor's office may well respond that the northern area is represented by legislators and all other bodies are advisory, added Comm. Beckel. "Redesign" is a financial issue, but looking at a social angle that isolates areas is as important, Comm. Johnson added, and AMC might key into that. The Chair underscored the dwindling voice of rural areas as population shifts to the metro areas and the structure of the state that does not allow for their voice being heard. MRCC represents forested and agricultural areas, it was noted, whereas the DNR has a negligible impact on southern counties.

3. National Parks Video Distribution In reference to a proposal by Comm. Raukar to distribute copies of the PBS Ken Burns documentary on America's National Parks to school districts in the region, the Chair noted that a letter to gauge interest was prepared for distribution. Comm. Napstad noted that offers of no-cost items to school districts are rarely rejected. He said he would have difficulty explaining the expense to his board. The imminent combining of Board funds means there would not be a separate conflict management fund. St. Louis County makes similar contributions from its large budget to other projects. Other smaller counties and member representatives concurred that the expense would be hard to justify. Counties might individually make a gift of the film or the Board might use the film in presentations. Audience member Elaine Palcich suggested the lengthy format of the film would make it hard to utilize in a classroom. A more effective approach would be for members to make conflict resolution presentations in schools. Without unanimous support, the proposal was turned down and taken off further agendas.

FEDERAL

1. Clean Water Restoration Act Update: The Chair addressed the CWRA, noting that Congressman Oberstar's bill has no traction at the moment, nor does Cap and Trade. The federal budget documents have not been passed, which together with the health care debate and the holidays has tied up Congress.

2. Plowing in Cook County: Comm. Johnson reported that Cook County had a request from the federal government to plow a federal road serving several resorts. The Forest Service supported the idea that the county take over authority. The county at first accepted but then had to rescind the offer because it did not have authority or insurance. The county would not make it a priority road on weekends, which would not serve the resorts. A private contractor complained of potential business being taken from him. The federal government may be looking for ways to cut costs. Other recourse, such as turn back through MNDOT or take over by resolution were suggested.

3. Support of Minnesota Pollution Control Standards on Haze Standards: Mr. Engwall noted that Jim Sanders of the National Forest Service and Mike Ward of Voyageurs National Park testified before the MPCA board that state standards were insufficient to meet haze standards.

NCLUCB

1. Teleconferencing: Pros and cons of long distance ITV meetings were weighed. These included the value of seeing peoples' facial expressions versus the high cost of meetings. The size of images is

important. Meeting at a couple regional sites was suggested. Comm. Swanson suggested affordable ITV meetings might lead to an increase in the size of the Board and would allow for other member county commissioners to attend. The drive to northern Minnesota by presenters is sometimes instructive, it was noted. Mr. Engwall offered DNR facilities in Bemidji or Grand Rapids. Comms. Fink and Sve added their offices offer ITV services. The item will be added to the February agenda.

2. Northeast Wetland Banking Strategy Phase II: Comm. Beckel requested that Barr Engineering and BWSR attend a meeting of NCLUCB to update the Board on developments. They might bring their Interactive Tool, offered Comm. Napstad, and the Chisholm facility would be technically more appropriate.

3. March Meeting Time: The Board meeting in March will coincide with NACo meetings, noted the Chair.

Motion to Adjourn

m. Lepper s. Swanson

Meeting adjourned at 12 p.m.

Next meeting: February 4, 2010, 9:30 a.m. KOOTASCA Senior Center, Northome, MN

Respectfully submitted by Douglas Skrief, Administrator and Exec. Dir.