

BOARD ORDER

Fiscal Year 2025 Clean Water Fund Competitive Grants Program

PURPOSE

Authorize the fiscal year 2025 Clean Water Fund Competitive Grants Program.

FINDINGS OF FACT / RECITALS

- A. The Laws of Minnesota 2023, Chapter 40, Article 2, Section 6 (b) appropriated \$8,500,000 for the fiscal year 2025 Clean Water Fund Projects and Practices Competitive Grants Program with up to 20 percent available for land-treatment projects and practices that benefit drinking water.
- B. The Laws of Minnesota 2021 First Special Session, Chapter 1, Article 2, Section 6 (c) appropriated \$9,682,000 for accelerated implementation, of which approximately \$3,195,943 is currently unallocated.
- C. The Board has authorities under Minnesota Statute §103B.101 to award grants and contracts to accomplish water and related land resources management.
- D. On May 13, 2024, the Grants Program and Policy Committee reviewed the proposed fiscal year 2025 Clean Water Fund Competitive Grants Request for Proposals program requirements and ranking criteria and recommended approval to the Board.

ORDER

The Board hereby:

- 1. Authorizes the fiscal year 2025 Clean Water Fund Competitive Grants Program according to the attached ranking criteria for the FY 2025 Clean Water Fund Competitive Grants Request for Proposal. The program consists of a.) Projects and Practices, b.) Projects and Practices – Drinking Water Subgrant, and c.) Accelerated Implementation.
- 2. Authorizes staff to utilize unallocated funds from prior Clean Water Fund fiscal years for the fiscal year 2025 Clean Water Fund Competitive Grant Program consistent with relevant provisions of prior Laws of Minnesota.
- 3. Authorizes staff to finalize and issue a Request for Proposals based on the amounts available.

Dated at St. Paul, Minnesota, this June 26, 2024.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES



Todd Holman, Chair
Board of Water and Soil Resources

Date: 6/26/2024

Attachments: FY 2025 Clean Water Fund Competitive Grants Request for Proposal Criteria

FY 2025 Clean Water Fund Competitive Grants Request for Proposal Criteria

Projects and Practices Ranking Criteria	
Ranking Criteria	Maximum Points Possible
<u>Project Abstract</u> : The project abstract succinctly describes what results the applicant is trying to achieve and how they intend to achieve those results.	5
<u>Prioritization (Relationship to Plans)</u> : The proposal is based on priority protection or restoration actions listed in or derived from the current state approved and locally adopted plan for the project area (see plans listed in 'Applicant Eligibility' of this RFP) and is linked to statewide Clean Water Fund priorities and public benefits.	20
<u>Targeting</u> : The proposed project addresses identified critical pollution sources or risks impacting the water resource(s).	25
<u>Measurable Outcomes and Project Impact</u> : The proposed project has a quantifiable reduction in pollution for restoration projects or measurable outputs for protection projects and directly addresses the water quality concern identified in the application.	20
<u>Cost Effectiveness and Feasibility</u> : The application identifies a cost effective and feasible solution to address the non-point pollution concern(s).	15
<u>Project Readiness</u> : The application has a set of specific activities that can be implemented soon after grant award.	15
Total Points Available	100

Drinking Water Protection Ranking Criteria	
Ranking Criteria	Maximum Points Possible
<u>Project Abstract</u> : The project abstract succinctly describes what results the applicant is trying to achieve and how they intend to achieve those results.	5
<u>Prioritization (Relationship to Plans)</u> : The proposal is based on priority actions listed in an approved local water management plan or a state approved plan (Minnesota Department of Health approved drinking water (source water) protection plan such as a wellhead protection plan, wellhead protection action plan and surface water intake plan.	20
<u>Targeting</u> : The proposed project addresses pollution sources or risks directly impacting drinking water sources. The project is either in an area designated as a Drinking Water Supply Management Area, vulnerable to groundwater contamination, high groundwater sensitivity, or in an area with elevated levels of contamination that pose a risk to human health.	35
<u>Project Impact</u> : The proposed project reduces pollution sources posing the greatest risk to drinking water sources.	30
<u>Project Readiness</u> : The application has a set of specific activities that can be implemented soon after grant award.	10
Total Points Available	100

Accelerated Implementation Ranking Criteria	
Ranking Criteria	Maximum Points Possible
<u>Project Abstract</u> : Clearly describes the project and the expected project results.	5
<u>Prioritization (Relationship to Plan)</u> : The proposal is based on priority protection or restoration actions listed in an approved local water management plan and other related plans.	20
<u>Targeting</u> : The proposal will accelerate targeted implementation efforts to protect or restore water resources.	25
<u>Project Impact</u> : The proposed activities will accelerate implementation of effective water resource protection and restoration activities that go beyond existing efforts.	25
<u>Project Rationale</u> : The proposal describes the need for the project and other approaches considered to meet the project purpose.	25
Total Points Available	100

BOARD ORDER

Grants Monitoring and Financial Reconciliation Policy

PURPOSE

Rescind the Board's Grants Monitoring and Financial Reconciliation Policy.

FINDINGS OF FACT / RECITALS

1. Minnesota Statutes §16B.97 provides that the Commissioner of Administration shall create general grants management policies and procedures that are applicable to all executive agencies." This includes policies on Pre-Award Risk Assessment for Potential Grantees (08-06), Grant Payments (08-08) and Grant Monitoring (08-10) developed by the Office of Grants Management.
2. The Board currently has a Grants Monitoring and Financial Reconciliation Policy which documents the Board's compliance with these Office of Grants Management policies.
3. The Grants Monitoring and Financial Reconciliation Policy has been found to be unnecessary as the Board utilizes internal procedures developed and implemented by staff to document how the requirements of the Office of Grants Management policies are being met.
4. The Board's Grants Program and Policy Committee reviewed this Board Order on June 17, 2024 and recommended approval to the Board.

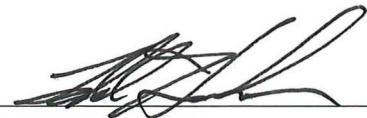
ORDER

The Board hereby:

- a. Rescinds the Grants Monitoring and Financial Reconciliation Policy dated December 17, 2020.

Dated at St. Paul, Minnesota, this June 26, 2024.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES



Todd Holman, Chair
Board of Water and Soil Resources

Date:

6/26/2024

BOARD ORDER

Request for Comments on Wetland Conservation Act Rulemaking

PURPOSE

To publish in the State Register a request for comments on amendments to the Wetland Conservation Act rule.

FINDINGS OF FACT / RECITALS

1. Minnesota Statutes 103G.2242, Subd. 1 authorizes the Board of Water and Soils Resources (Board), in consultation with the Commissioner of the Department of Natural Resources to adopt rules implementing the Wetland Conservation Act (WCA).
2. The Board has previously developed and adopted Minnesota Rules Chapter 8420 (WCA rule) in accordance with statutory authority.
3. The current WCA rule has been in effect since August 3, 2009.
4. Amendments to WCA statutes occurred in 2011, 2012, 2015, 2017, and 2024;
5. Amending the WCA rule is necessary to ensure consistency between the rule and statute and to make other changes that will improve the efficiency, effectiveness, and/or outcomes of the rule.
6. The most recent process to amend the WCA rule was initiated with a request for comments published in the State Register, which closed on March 19, 2022.
7. The 2024 WCA statute amendments represent a substantial increase in rulemaking scope, such that conducting another public comment period is desirable and appropriate.
8. The Board's Wetland Conservation Committee met on June 4, 2024 and is recommending that the Board authorize staff to expand the scope of rulemaking to include the 2024 statute changes and initiate a new public comment period as part of the WCA rulemaking process.

ORDER

The Board hereby authorizes Minnesota Board of Water and Soil Resources staff to publish a request for comments in the State Register regarding amendments to the WCA rule.

Dated at St. Paul, Minnesota, this June 26, 2024.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES



Todd Holman, Chair
Board of Water and Soil Resources

Date: 6/26/2024

Minnesota Board of Water and Soil Resources
520 Lafayette Road North
St. Paul, Minnesota 55155

In the Matter of the review of the Comprehensive Watershed Management Plan for the Kettle River & Upper St. Croix Watershed, pursuant to Minnesota Statutes, Sections 103B.101, Subdivision 14 and 103B.801.

**ORDER
APPROVING
COMPREHENSIVE
WATERSHED
MANAGEMENT PLAN**

Whereas, the Kettle River & Upper St. Croix Watershed Partnership submitted a Comprehensive Watershed Management Plan (Plan) to the Minnesota Board of Water and Soil Resources (Board) on April 26, 2024 pursuant to Minnesota Statutes, Sections 103B.101, Subdivision 14 and 103B.801 and Board Resolution #21-08, and;

Whereas, the Board has completed its review of the Plan;

Now Therefore, the Board hereby makes the following Findings of Fact, Conclusions, and Order:

FINDINGS OF FACT

- Partnership Establishment.** The Kettle River & Upper St. Croix Watershed Partnership (Partnership) was established through adoption of a Memorandum of Agreement for the purposes of developing a Comprehensive Watershed Management Plan. The membership of the Partnership includes Carlton County, Carlton Soil and Water Conservation District (SWCD), Kanabec SWCD, Pine County, and Pine SWCD.
- Authority to Plan.** Minnesota Statutes, Sections 103B.101, Subdivision 14 allows the Board to adopt resolutions, policies or orders that allow a comprehensive plan, local water management plan, or watershed management plan, developed or amended, approved and adopted, according to Chapters 103B, 103C, or 103D to serve as substitutes for one another or be replaced with a comprehensive watershed management plan. Minnesota Statutes, Sections 103B.801, established the Comprehensive Watershed Management Planning Program; also known as the One Watershed, One Plan (1W1P) program. Board Decision #21-08 adopted the One Watershed, One Plan Program's *Operating Procedures (Version 2.1)* and Board Decision #19-41 adopted the One Watershed, One Plan Program's *Plan Content Requirements (Version 2.1)* policies.
- Nature of the Watershed.** The Kettle River & Upper St. Croix Watershed covers 1,500 square miles, spanning four counties, two tribal nations (Fond du Lac Band of Lake Superior Chippewa and Mille Lacs Band of Ojibwe) and a portion of the 1837 and 1854 Treaty Authority areas in Minnesota. A large portion of the St. Croix Watershed is in Wisconsin. The watershed includes hundreds of lakes and over a thousand miles of streams, providing recreational opportunities and valuable habitat and unique plant and animal species including sturgeon, trout, cisco, rare mollusks, and wild rice. Most of the land cover is forests and wetlands, with only 13% land used for pasture or cultivated crops. Only

3% of the watershed is developed land. The watershed has a large area of karst geology. This type of geology has the highest risk of contamination to groundwater because pores in the bedrock allow contaminants to flow directly to groundwater supplies.

4. **Plan Development.** The Plan was developed as a single, concise, and coordinated approach to watershed management. The Plan consolidates policies, programs, and implementation strategies from existing data, studies and plans, and incorporates input from multiple planning partners and public input to provide a single plan for management of the watershed. The Plan focuses on prioritized, targeted, and measurable implementation efforts and lays out specific actions to, protect and restore lakes, streams, and wetlands, protect and manage forests, preserve groundwater, manage stormwater and enhance recreational uses in the watershed.
5. **Plan Review.** On April 26, 2024, the Board received the Plan, a record of the public hearing, and copies of all written comments and responses for final State review pursuant to Board Resolution #21-08. During the development of the Plan, State agency representatives attended and provided input at advisory committee meetings. The following state review comments were received during the comment period.
 - A. Minnesota Department of Health (MDH): The entire watershed planning process has been very transparent with ample opportunity to provide comment at many places in the timeline. The concerns I expressed, and data I provided, for addressing source (drinking) water protection were well received and thoughtfully incorporated. Staff have been very accessible throughout the process and have been prompt in their replies to any questions or suggestions I posed.
 - B. Minnesota Department of Natural Resources (DNR): We are pleased to confirm that all high-level priorities outlined in DNR's 60-day review letter remain addressed in this final draft plan for BWSR approval. At this juncture, we see no need for additions or changes. The DNR has no additional comments and recommends BWSR approval.
 - C. Minnesota Pollution Control Agency (MPCA): We have reviewed the response to the 60-Day review comments and final draft version of the Kettle River Upper St. Croix 1W1P. All the 60-day comments provided by the MPCA have been answered or addressed and we have no additional comments.
 - D. Minnesota Environmental Quality Board (EQB): Policy requires that EQB be notified of the final draft document. EQB confirmed receipt of the Plan and did not provide comments on the 90-day final draft Plan.
 - E. Minnesota Department of Agriculture (MDA): We appreciate the opportunity to review responses to comments and final draft plan. The MDA has no additional comments and recommends BWSR approval.
 - F. Minnesota Board of Water and Soil Resources regional staff: The entire report is very well-written, easy to understand and is visually appealing. We commend the Partnership for their focus protecting healthy ecosystems particularly related to forestry activities and their consideration of climate adaptation and resiliency. the partnership responded well to stakeholder input by adding a section of the plan focused on recreation. They were inclusive of tribal nations during the planning process. All the 60-day comments provided by the BWSR have been answered or addressed and we have no additional comments. BWSR staff involved in the development and review of this plan include Erin Loeffler (former Board Conservationist), Michelle Jordan (Board Conservationist) and Barb Peichel (Clean Water Specialist).

6. **Plan Summary and Highlights.** The highlights of the Plan include:
- Most of the land cover is forests and wetlands, with only 13% land used for pasture or cultivated crops. Only 3% of the watershed is developed land.
 - The Partnership targeted activities in the sensitive karst geology area to protect groundwater, including farm best management practices and forest protection.
 - The Policy and Steering Committees sought extensive community engagement during the early stages of the planning process, including input from two public kick-off meetings. In addition, the Steering Committee held six focused topic meetings (streams & wetlands, agriculture & groundwater, forestry, recreation, stormwater, and lakes). The information gathered at these meetings was used to identify and prioritize issues. These meetings also provided an opportunity for public input on the implementation activities.
 - A total of 16 priority issues were prioritized with direction from the Policy Committee based on input from the public and topic meetings, existing plans and studies, and comment letters from state agencies.
 - A Landscape Stewardship Plan was developed to complement the watershed plan and provided information on forest resources and their relationship to priority water resources.
 - The planning partners set 10 goals for the watershed. These goals include reducing phosphorus loading to lakes by 340 pounds, managing 20,000 acres & protecting 10,000 acres of forests, protecting or enhancing 400 acres of riparian corridor & 2000 linear feet of streams, treating 1000 farm acres with soil health practices & installing 30 farm BMPs, updating 10 septic systems & sealing 20 wells, updating 2 ordinances to protect groundwater, completing four stormwater plans & installing 20 stormwater BMPs, and increasing recreational opportunities. The goals were established by calculating baseline numbers using models and/or datasets and then further refining them based on what could reasonably be accomplished in the 10-year lifespan of the plan.
 - The targeted implementation for this plan will be focused on private land near priority lakes, streams, and sensitive groundwater areas. The waterbodies were prioritized using water quality and habitat data. Recreational and culturally significant resources were also prioritized.
7. **Northern Regional Committee.** On June 5, 2024, the Northern Regional Committee met to review and discuss the Plan. Those in attendance were committee chair Rich Sve, LeRoy Ose, Jeff Berg, Amy Adrihan, Neil Peterson, and Ron Staples. The representatives from the Partnership were Paul Swanson, Pine SWCD; Cameron Gustafson, Carlton SWCD; Mike Gainer, Pine County; Kim Johnson, Kanabec SWCD; and Kim Samuelson, Carlton SWCD. BWSR staff in attendance were Ryan Hughes, Northern Region Manager; Melanie Bomier, Board Conservationist; Carrie Rust-Moline, Office & Administrative Specialist; Chad Severts, Board Conservationist; Jeff Hrubes, Clean Water Specialist; and Barbara Peichel, Clean Water Specialist. Board regional staff provided its recommendation of Plan approval to the Committee. After discussion, the Committee's decision was to present a recommendation of approval of the Plan to the full Board.
8. This Plan will be in effect for a ten-year period until June 26, 2034.

CONCLUSIONS

1. All relevant substantive and procedural requirements of law have been fulfilled.
2. The Board has proper jurisdiction in the matter of approving a Comprehensive Watershed Management Plan for the Kettle River & Upper St. Croix Watershed pursuant to Minnesota Statutes, Sections 103B.101, Subd. 14 and 103B.801 and Board Resolution #21-08.
3. The Kettle River & Upper St. Croix Comprehensive Watershed Management Plan attached to this Order states water and water-related problems within the planning area; priority resource issues and possible solutions thereto; goals, objectives, and actions of the Partnership; and an implementation program.
4. The attached Plan is in conformance with the requirements of Minnesota Statutes Section 103B.101, Subd. 14 and 103B.801 and Board Resolution #21-08.
5. The attached Plan when adopted through local resolution by the members of the Partnership will replace the comprehensive plan, local water management plan, or watershed management plan, developed or amended, approved and adopted, according to Chapters 103B, 103C, or 103D, but only to the geographic area of the Plan.

ORDER

The Board hereby approves the attached Comprehensive Watershed Management Plan of the Kettle River & Upper St. Croix Watershed, submitted April 26, 2024.

Dated at St. Paul, Minnesota, this twenty-sixth day of June 2024.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES



Todd Holman, Chair
Board of Water and Soil Resources

Date: 6/26/2024



June 26, 2024

Kettle River & Upper St. Croix Watershed Policy Committee
c/o Paul Swanson, Pine SWCD
1610 Highway 23 North
Sandstone, MN 55072

RE: Approval of the Kettle River & Upper St. Croix Watershed Comprehensive Watershed Management Plan

Dear Kettle River & Upper St. Croix Watershed Policy Committee:

The Minnesota Board of Water and Soil Resources (BWSR) is pleased to inform you the Kettle River & Upper St. Croix Watershed Comprehensive Watershed Management Plan (Plan) was approved at its regular meeting held on June 26, 2024. Attached is the signed Board Order that documents approval of the Plan and indicates the Plan meets all relevant requirements of law, rule, and policy.

This Plan is effective for a ten-year period until June 26, 2034, in accordance with Minnesota Statutes §103B.101, Subd. 14 and 103B.801. Please be advised, the partners must adopt and begin implementing the plan within 120 days of the date of the Order, per the One Watershed, One Plan Operating Procedures.

The members of the Partnership and participants in the plan development process are to be commended for writing a plan that clearly presents water management goals, actions, and priorities of the Partnership, and for participating in the One Watershed, One Plan program. BWSR looks forward to working with you as you implement this Plan and document its outcomes.

Please contact Board Conservationist Melanie Bomier of our staff at 651-249-7519 or melanie.bomier@state.mn.us for further assistance in this matter.

Sincerely,

Todd Holman, Chair
Minnesota Board of Water and Soil Resources

Enclosure: BWSR Board Order

CC: Listed on next page.

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