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www.bwsr.state.mn.us

AT A GLANCE

- Small agency of conservation professionals
- Local conservation delivery system
- Governing board of local officials, citizens, and agency partners
- Focus on Minnesota’s private lands (78 percent of the state)
- Collaboration model for results:
 - 15,000 conservation practices installed
 - 7,000 easements funded
 - 515 local water management plans approved
 - 10,000 acres of wetland credits deposited into wetland bank
 - 243 basic performance and accountability assessments completed annually

PURPOSE

Our mission is to improve and protect Minnesota’s water and soil resources by working in partnership with local organizations and private landowners. Our agency has a unique business model that is designed to:

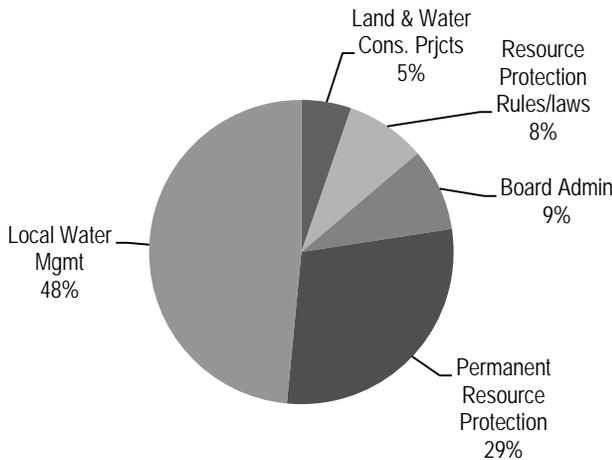
- Operate as an efficient state-level source of technical and financial assistance to a local government delivery system
- Emphasize implementation of conservation practices and projects that meet state objectives
- Focus on Minnesota’s private lands

We contribute to the statewide outcome of **“a clean, healthy environment with sustainable uses of natural resources”** by providing for targeted resource planning, protecting and restoring important water and habitat resources, and ensuring compliance with environmental laws, rules, and regulations.

We also contribute to the statewide outcomes of **“efficient and accountable government services”** by maximizing local and federal partnerships and evaluating the effectiveness of local governments and conservation outcomes.

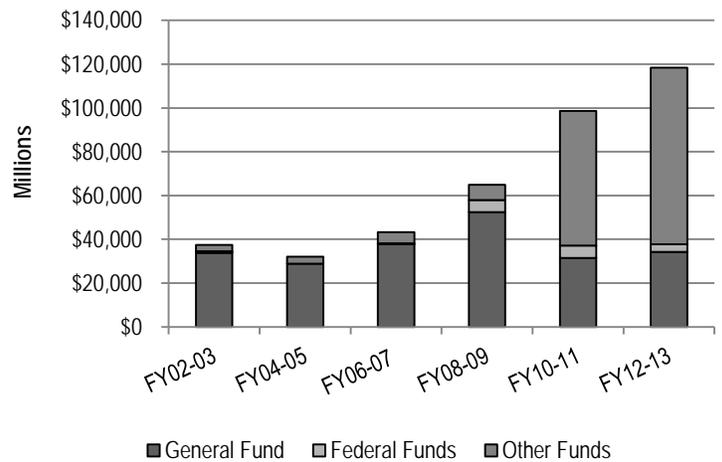
BUDGET

**Spending by Program
FY 13 Actual**



Source: SWIFT

Historical Spending



Legacy Funds are reflected in FY10-11 and FY12-13 “Other Funds”
Source: Consolidated Fund Statement

Funding for agency operations and conservation activities comes from a mix of state and federal funds. General Fund support has shrunk in recent years, and together, the Clean Water Fund and Outdoor Heritage Fund make up the majority of our current budget. The Other Funds category is made up of these two legacy funds in addition to interagency transfers, Environment and Natural Resources Trust Fund, federal funds, and special revenue funds. Approximately 85 percent of our budget passes through the agency in grants to local governments for approved conservation programs and projects. The remaining 15 percent is retained for agency programs and agency operations, of which personnel is the largest expenditure.

STRATEGIES

BWSR's mission is implemented through the following core functions:

- Function as the state soil conservation agency.
- Direct private land soil and water conservation programs through the actions of soil and water conservation districts, counties, cities, townships, watershed districts, and water management organizations.
- Link water resource planning with comprehensive land use planning.
- Provide resolution of water policy conflicts and issues.
- Oversee comprehensive local water management.
- Provide the forum (through the board) for local issues, priorities, and opportunities to be incorporated into state public policy.
- Administer the Wetland Conservation Act.
- Coordinate state and federal resources to realize local priorities.

We accomplish our mission through these key strategies:

- Develop programs that address 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; and reducing flood potential.
- Oversee and provide for targeted resource planning and effectiveness evaluation.
- Prioritize on-the-ground conservation projects in the best locations to achieve multiple benefits and measurable improvements to water and habitat resources.
- Ensure compliance with environmental laws, rules, and regulations. Specifically, we are responsible for administering the Wetlands Conservation Act (WCA) and providing oversight to drainage authorities operating under state drainage law.
- Implement 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.

The legal authority for the Board of Water and Soil Resources come from the following Minnesota Statutes (<https://www.revisor.mn.gov/statutes/>): MS 103A, 103B, 103C, 103D, 103E, 103F, and 103G

Program: Land and Water Conservation Projectswww.bwsr.state.mn.us**AT A GLANCE**

- Delivers conservation programs through local governments, in cooperation with private landowners.
- Implements high priority erosion control, native buffers, feedlot, and weed management projects.
- Leverages local and federal funds.

PURPOSE & CONTEXT

The goal of this program is to meet state objectives for clean water, productive soil, and abundant fish and wildlife habitat. Focused on partnerships with local governments, we meet these objectives by implementing targeted projects and practices on private lands to prevent soil erosion and pollution from entering surface and ground water.

Projects are implemented through grants to local governments, including soil and water conservation districts, counties, cities, watershed districts, and watershed management organizations.

SERVICES PROVIDEDConservation Projects Cost Share

Grants to local governments provide funding for a variety of on-the-ground projects that address state conservation objectives. Specifically, these projects address:

- *Keeping water on the land:* restoring natural hydrology and reducing runoff is achieved by restoring wetlands, installing rain gardens, constructing stormwater treatment ponds, and implementing conservation drainage practices.
- *Maintaining healthy soils:* healthy soils are supported through conservation tillage and erosion control projects.
- *Reducing pollutants in surface and ground water:* reducing pollution in sensitive ecological areas is accomplished by upgrading feedlots and subsurface sewage treatment systems, and sealing abandoned wells.
- *Ensuring biological diversity:* protection of native plants and animals and their habitats is accomplished through the installation of permanent buffers of native vegetation and cooperative weed management programs that address invasive species management.
- *Maintaining stream integrity:* healthy stream hydrology and abundant fish populations are achieved through streambank and shore stabilization.

Working through local governments ensures that private landowners have access to a local, trusted resource that can help address conservation needs. We provide funds to local governments for the costs of constructing conservation projects and practices in addition to the costs of project design, construction oversight, and fiscal and outcomes reporting. Eligibility for funding is contingent on a state approved and locally adopted water management plan that links scientific information with local priorities to ensure state funds are targeted to the most critical needs. Local governments also leverage local and federal funds for these projects.

Grant Management

We use a comprehensive grant management system to track the use of state funds in the most efficient manner possible. We establish eligibility criteria, determine grant program policies, review work plans, issue grant agreements, and conduct close-out reviews upon project completion. This grant management system is compliant with the policies adopted by the Department of Administration and the Office of Grants Management.

RESULTS

The measures below represent our two key goals of this budget program: to reduce water pollutants to improve water quality and to deliver services that ensure trust in government. Specifically, projects funded under this program contribute toward meeting the state's pollution reduction goals for sediment, phosphorus, and nitrogen. It's also important that landowners have access to a trusted, local resource that is responsive to conservation needs. Experience (and research) supports the notion that landowners trust local government more than state government and therefore are more likely to engage in a conservation activity if they have access to a valued and credible resource within their own community. For example, data from an annual Gallup Poll show that trust in local

government has largely been stable over the years, while trust in state and federal government has shown considerably more variation, with the current level at 62% trusting in state government, and 34% trusting in the legislative branch of the federal government.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Result	Amount of nutrients removed compared to state goals			2010,2011
	Phosphorus	1.9% 20,541 lbs/yr	2.2% 24,495 lbs/yr	
	Nitrogen	0.07% 41,302 lbs/yr	0.09% 49,160 lbs/yr	
Quality	Trust in local government (Gallup Poll*)	69%	71%	1997,2013

*<http://www.gallup.com/poll/164663/americans-trust-government-generally-down-year.aspx>

The legal authority for Land and Water Conservation projects comes from Minnesota Statutes, chapter 103C.501 and Minnesota Administrative Rules, chapter 8400.

Program: Resource Protection Rules and Lawswww.bwsr.state.mn.us**AT A GLANCE**

- State laws and rules implemented by local governments with state assistance and oversight:
 - Wetland Conservation Act
 - Drainage Law
 - Comprehensive Local Water Management
 - Shoreland Management
 - County Feedlot Program
 - Subsurface Sewage Treatment Systems
- Emphasizes interagency coordination

PURPOSE & CONTEXT

This program supports local implementation of and compliance with environmental protection laws, rules and regulations of multiple agencies. These rules and laws include the Wetland Conservation Act, drainage law, shoreland rules, feedlot rules, and subsurface sewage treatment system rules.

Local implementation of state resource management programs and drainage laws allows for regulation to occur in close proximity to the regulated activity and is more cost effective than state implementation. This program allows us to provide important coordination, assistance, and oversight to ensure that local governments have current knowledge as well as financial and staff capacity to properly implement state programs.

SERVICES PROVIDEDOversight of the Wetland Conservation Act

In 1991 Minnesota enacted the Wetland Conservation Act (WCA), one of the most sweeping comprehensive wetlands protection laws in the country, the purpose of which was to retain the benefits of wetlands and attain no-net-loss of wetlands. WCA requires anyone proposing to drain, fill, or excavate a wetland first to try to avoid disturbing the wetland; second, to try to minimize any impact on the wetland; and, finally, to replace any lost wetland acres, functions, and values. Local governments—cities, counties, watershed management organizations, soil and water conservation districts, and townships—implement the act locally; we administer the Act statewide, and it is enforced by the Department of Natural Resources.

We support local implementation of WCA by providing:

- technical and administrative assistance
- oversight through project review and annual reporting
- administration of the state wetland banking system by approving wetland bank applications and managing credit accounting
- an appeals process when disputes occur regarding local decisions

We also implement the Local Government Roads Wetland Replacement Program, which requires us to replace wetlands impacted as part of local transportation improvement projects. This approach consolidates the necessary technical, financial and record-keeping components to provide high quality, cost-effective wetland replacement.

Drainage Management

We provide essential support to public drainage authorities and stakeholders through:

- advisory review of watershed district engineers' reports and plans for drainage, flood damage reduction, water quality, and other natural resource enhancement projects
- collection of Ditch Buffer Strip Annual Reports, a requirement of county and watershed district public drainage authorities to report miles of buffer strips established in accordance with statute, as well as system inspections and enforcements actions
- facilitation of the Drainage Work Group, which provides a forum for agency and stakeholder representatives to discuss and develop recommendations for updates to drainage law, and the Drainage Management Team, which coordinates information and technical assistance to local governments

Natural Resources Block Grants

A number of state resource management programs are implemented by counties, as required by statute. To create efficiency, we coordinate and package the financial support for these programs in cooperation with the Department of Natural Resources (DNR) and the Pollution Control Agency (PCA). These programs include:

- Comprehensive Local Water Management
- Wetland Conservation Act
- Shoreland Management
- County Feedlot Permit
- Subsurface Sewage Treatment Systems

RESULTS

The measures detailed below represent the key goal of this budget program, which is to ensure effective local implementation of state resource management laws, rules, and programs. Specifically, we aim to maintain and protect Minnesota’s wetlands and the benefits they provide, as well as to ensure that Minnesota has an effective stakeholder forum (the Drainage Work Group) through which consensus can be achieved on issues related to drainage law and policy and an updated Public Drainage Manual that promotes uniformity in interpretation and implementation of drainage law. We also strive for agency coordination and efficiency through a composite of five grants to local governments that helps reduce the administrative costs of these state natural resource programs.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Result	Percent gain/loss of wetland acres*		0.02%	2006-2011
Quality	Number of wetland appeals	38	9	2007,2013
Quality	Road Program credit demand met	100% (166 credits)	100% (161 credits)	2009,2013
Quantity	Percent of drainage authorities reporting on ditch buffers	75% counties 89% watershed districts	100% counties 100% watershed districts	2007,2013
Result	Success of Drainage Work Group legislative initiatives	Passed - split vote	Passed - unanimous	2007,2014
Result	Update of Public Drainage Manual is complete	0%	2%	2014,2014
Quantity	Number of grants issued to local governments for state resource management programs	>400 If separate grants	87 As block grant	N/A

*Status and Trends of Wetlands in Minnesota: Wetland Quantity Trends from 2006-2011. Minnesota Department of Natural Resources. May 2013.

The legal authority for the Resource Protection Rules and Laws program comes from Minnesota Statutes, Chapter 103E and 103G, Minnesota Administrative Rules, chapter 8420

Program: Board Administration and Agency Operationswww.bwsr.state.mn.us**AT A GLANCE**

- 20-member governing board includes local officials, citizens, and agency partners
- 101 staff in 9 offices
- 954 grants to local governments issued in 2014

PURPOSE & CONTEXT

The goal of this program is to advance the agency mission by providing high quality, timely and cost-effective operational and administrative support.

In addition to providing support to agency staff, we provide direct support to the 20-member Board, as well as support and information to external partners such as local governments, non-governmental and other community groups, businesses, legislators, and citizens.

SERVICES PROVIDEDAdministrative Services

We provide human resource, labor relations, budgeting, payroll, purchasing, motor pool service, and financial reporting services to the agency.

Board Operations

Staff provides operational and logistical support to the Board. The Board provides direction and oversight on policy development, grant funds to implement the state's conservation programs, and regulatory decisions. The 20-member board is comprised of citizens and representatives from local governments, including city, county, township, watershed district and soil and water conservation district, as well as representatives from Department of Agriculture, Department of Natural Resources, Pollution Control Agency, Department of Health, and University of Minnesota Extension Service.

Agency Leadership and External Relations

Our 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 agencies.

Accountability and Evaluation

We provide appropriate internal control policies and related oversight and accountability for agency programs, financial oversight and verification of grants to local governments, and assessment of local government performance.

Information Technology

We provide the business-side expertise and support to develop and implement essential programming systems, coordinate geographic information systems, and manage telecommunication and network infrastructure.

Communications

We provide for strategic agency communication, including implementing the Governor's directive to use social media, directed according to the agency's External Communications Plan.

RESULTS

To understand the impact of this budget program, we review agency operations for efficiency and adequate internal controls. This includes completing our agency Risk Management Plan and implementing an annual internal control self-assessment certification. We also seek to understand the public's awareness of our work. Our communications work is directed by an External Communications Plan, which was nominated for "Best in Show" in 2012 by the Minnesota Association of Government Communicators. Finally, we also review the efficiency and program effectiveness of our local government grantees. Since 2007, we have been methodically assessing the performance of the local units of government that constitute Minnesota's delivery system for conservation of water and soil resources. We also review grants for full compliance with the Office of Grants Management policy and other management best practices.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quality	Percent of total budget spent on program implementation (grants/projects)	78%	88%	2002,2013
Quantity	Number of overdue local water plans	22	7	2009,2013
Quantity	Media Coverage Print Media (population reached) Social Media (Facebook & Twitter followers)	3.6 million 0*	2.8 million 486	2013,2014 2013, 2014
Quality	Number of findings in internal controls audits	9 (all resolved)	2 (1 resolved)	2010,2014
Quality	Percent grant funds to local governments reviewed (should be at least 10% per Office of Grants Management policy)	14.17 %	11.84%	2010,2012

*BWSR's social media work began in 2013.

The legal authority for the Board of Water and Soil Resources comes from Minnesota Statutes Chapter 103B.

Program: Permanent Resource Protectionwww.bwsr.state.mn.us**AT A GLANCE**

- Uses science-based conservation methods to achieve multiple benefits:
 - Creates and restores wildlife habitat
 - Improves hunting and fishing
 - Reduces soil erosion and improves water quality
 - Provides flood retention
 - Enhances groundwater recharge
 - Creates and sustains Minnesota jobs
- Funded more than 7,000 easements, protecting more than 250,000 acres

PURPOSE & CONTEXT

This program is a critical component of the state's goals to protect and improve water quality, protect and enhance wildlife habitat, and reduce flooding. Through the Reinvest in Minnesota (RIM) Reserve program, we acquire conservation easements to permanently protect, restore, and manage resources while keeping private ownership of the land. Specifically, RIM easements protect the state's water and soil resources by:

- Retiring marginal agricultural lands
- Restoring drained wetlands and associated buffers
- Acquiring buffers in sensitive landscapes
- Reducing flood potential by expanding flood retention areas along rivers

Today, RIM is the largest non-Federal private lands permanent protection program in the country. Anchored in the work of local soil and water conservation districts, the program uses an effective system of local delivery and key federal and non-governmental organization partnerships

SERVICES PROVIDEDConservation Easement Acquisition

The RIM program consists of several sub-programs aimed at protecting and restoring wetlands, wild rice lakes, and areas along lakes, rivers, and streams. We also work to protect lands from intensive development within a three-mile radius around Camp Ripley, ensuring both the protection of high quality wildlife habitat and continued use of Camp Ripley as a National Guard training facility. RIM targets the highest priority areas through science-based conservation methods. Conservation activities are prioritized based on a methodology that determines the areas where dollars spent maximize return on investment. Agency staff provide the necessary administrative, legal, and engineering expertise to secure perpetual conservation easements with private landowners through local soil and water conservation districts (SWCDs). The thousands of acres of restored wetlands, adjacent native grassland and buffers on privately-owned lands remain on local tax rolls. RIM dollars are primarily used for easement payments to landowners, project construction costs associated with restoring wetland basins and establishing native vegetation, and program implementation (surveying, engineering designs, and realty transactions).

Conservation Easement Management

Effective long-term easement management requires documenting baseline conditions at the time of acquisition as well as regular ongoing monitoring, and enforcement when necessary, to ensure compliance. Local SWCDs perform regular monitoring inspections of all conservation easements. We maintain baseline, monitoring, and geospatial data.

RESULTS

Measuring performance of this program is guided by progress toward goals outlined in state habitat and water quality plans and strategies, like the Minnesota Prairie Conservation Plan and Nutrient Reduction Strategy, which call for increasing connected areas of wildlife habitat and using conservation easements in strategic locations to reduce the amount of pollutants reaching Minnesota's waters. For example, according to the MPCA study on Nitrogen in Minnesota Surface Waters, the two most significant treatments for reducing nitrogen are putting riparian land (land that is adjacent to rivers and streams) that is currently in corn into grass and putting into perennials those areas where corn grows only marginally. We also aim to create and sustain Minnesota jobs. Based on a report from the Natural Resources Conservation Service (NRCS), for every \$100,000 in RIM funding, one new job is created or maintained and \$128,000 in total economic output is achieved. Finally, in order to make sure this program is effective into the future, we need to ensure the integrity of conservation easements over the long-term.

Performance measures for this program typically have been expressed as outputs. We currently are working to develop appropriate outcome measures to be used in the future.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Acres protected under RIM Reserve	251,090	277,411	2011,2014
Quality	Percent easements monitored on schedule	100% (1,805)	100% (2,337)	2011,2013
Quality	Percent easement violations (should be <5%)	No Data	0.15%	2014

The legal authority for the Permanent Resource Protection Program is found in Minnesota Statutes, Chapter 103F.501-103F.535.

Program: Local Water Managementwww.bwsr.state.mn.us**AT A GLANCE**

- One Watershed One Plan Pilot launched in five watersheds in 2014
- 90 Conservation Delivery grants issued in 2014, totaling \$1,765,001

PURPOSE & CONTEXT

The goal of this program is to develop and maintain local capacity to protect and enhance Minnesota's water and soil resources. We do this by ensuring adequate technical resources and capacity are in place to implement protection and restoration projects at the local level and by providing adequate training, oversight, and accountability.

This includes the capacity to plan and implement local water management plans. We have oversight responsibilities to ensure that local water plans are prepared and coordinated with existing local and state efforts and that plans are implemented effectively. These local plans focus on priority concerns, defined goals and objectives, and measurable outcomes.

SERVICES PROVIDEDConservation Delivery Grants

These grants represent a long-standing partnership between state, local and federal governments to provide base-level resources for operating expenses associated with the local delivery of state conservation programs by providing each soil and water conservation district (SWCD) with a certain degree of funding stability. These funds help provide shared engineering and technical assistance for SWCDs through eight regional Technical Service Areas (TSA). They also provide resources for SWCD staff to monitor Reinvest in Minnesota (RIM) Reserve conservation easements to ensure compliance with those easements.

Water Management Planning and Implementation

Protecting and restoring Minnesota's water resources relies on the knowledge, authorities, partnerships, commitment and resources of state and local governments. Working with local governments on their water management plans ensures the water resources of the state will be effectively managed. Specifically, we guide local government staff and boards as they develop comprehensive water management plans that address local priorities while meeting state requirements and goals. Local water plans include Comprehensive Local Water Management Plans (County Water Plans), Watershed District Watershed Management Plans, Metro Watershed Management Plans, Metro County Groundwater Management Plans, and Soil and Water Conservation Comprehensive Plans. Our Board reviews and approves local water plans. Agency staff provide overall program guidance, process affiliated grants, and provide plan review and comments.

In 2011 the Local Government Water Roundtable initiated One Watershed, One Plan – the planning and implementation of water management on a watershed scale. The Roundtable's recommendation led to legislation authorizing watershed-based plans in 2012, and we launched the One Watershed, One Plan initiative in 2013. The program currently is in a pilot phase in five watersheds.

Pass-through Grant Management

This area includes pass-through funding for two local water entities: Area II and the Red River Basin Commission. Area II was formed in 1978 as a non-profit organization and works to alleviate the recurrent flood problems in south-western Minnesota – specifically in Brown, Cottonwood, Lac qui Parle, Lincoln, Lyon, Murray, Pipestone, Redwood, and Yellow Medicine counties. The Red River Basin Commission works toward comprehensive and integrated natural resource planning, management and implementation in the Red River Basin.

RESULTS

This program aims to ensure that SWCDs have a base level of capacity to address water and soil resource concerns. Since 2007 we have been methodically assessing the performance of the local units of government that constitute Minnesota's delivery system for conservation of water and soils resources through the Performance Review and Assistance Program (PRAP). We also aim to enhance management of water resources due to long-range plans being in place according to the 10-year planning cycle. Plans are improving by becoming more focused and watershed-based: The One Watershed One Plan initiative currently is in a pilot phase. This pilot will allow for a thorough review and evaluation of the planning framework before implementing the permanent program by the end of 2015.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quality	SWCDs meeting basic performance and accountability requirements	99%	82%	2011-2013*
Quantity	Number of overdue water plans	22	7	2009-2013

*Decrease is due to a tightening of the performance standard during the review period and not to decreasing compliance.

Minnesota Statutes, Chapter 103B; Minnesota Statutes, Chapter 103C; Minnesota Statutes, Chapter 103D