

2010 Environment and Natural Resources Trust Fund (ENRTF)

Date of Report: November 12, 2009

Date of Next Progress Report: December 31, 2010

Date of Work Program Approval:

Project Completion Date: June 30, 2012

I. PROJECT TITLE: Protection of Granite Rock Outcrop Ecosystem

Project Manager: Thomas J. Kalahar

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Location: Portions of the Minnesota River Valley located in Lac qui Parle, Yellow Medicine, Chippewa, Redwood & Renville Counties.

Total ENRTF Project Budget:	ENRTF Appropriation	\$ 1,800,000
	Minus Amount Spent:	\$ 0
	Equal Balance:	\$ 1,800,000

Legal Citation: ML 2010, Chap. [], Sec. [], Subd. _____

Appropriation Language:

II. PROJECT SUMMARY AND RESULTS:

The Minnesota River Valley contains exposed ancient granite rock outcrops that provide unique landscape features, as well as habitat for specialized plant and animal communities rarely found elsewhere in Minnesota. Rock outcrops are threatened by mining, overgrazing and other development interests. Removal of the rock results in severe degradation and permanent loss of these unique landscape features. The narrow Minnesota River Corridor is easily susceptible to fragmentation. Past development activities and mining operations have already fragmented large areas of the fragile landscape. Demand for aggregate is growing as our population and infrastructure grow. Aggregate is in short supply in many areas, including metropolitan areas, because development has made it inaccessible. Interest in mining exposed granite rock outcrops in the Minnesota River Valley is high because the rock is readily available and there is no overburden to remove. This encourages the practice of horizontal mining, removing the easiest and most profitable rock, and moving on. Unlike gravel mining operations, there is no reclamation plan possible for replacing this unique landscape feature once it is removed. Rock outcrops are a component of the Minnesota River's riparian zone,

and destruction of this unique habitat will degrade the water quality and wildlife habitat of the Minnesota River and its tributaries. The rock outcrops, and their associated wetlands, are home to several state and federal rare, threatened, and endangered species (both flora and fauna) including Prairie bush clover, Otton skipper, Great Plains prickly pear, Five-lined skink and Bald eagle. This project will offer an economically viable option for landowners to preserve and enhance rock outcrops within a five county area of the Upper Minnesota River Valley. Twelve perpetual conservation easements averaging 58.57 acres will protect 702.8 acres.

III. PROGRESS SUMMARY AS OF

IV. OUTLINE OF PROJECT RESULTS:

Result 1: Habitat Protection through Perpetual Easements

Description: This project will protect approximately 702.8 acres of rock outcrop complexes within the Minnesota River Corridor and its tributaries. Using several layers of data, including the MN County Biological Survey, this project uses a scoring system to identify and protect the highest quality sites along the Minnesota River Corridor within the five counties. Easement applications are prioritized by a local work group comprised of technical experts from local, state, and federal agencies. Easements will be secured through the Reinvest in Minnesota (RIM) conservation easement process. The easement will be held by the State of Minnesota working through the Board of Water and Soil Resources (BWSR) and the local Soil & Water Conservation Districts (SWCD). Compensation for easements to willing landowners will be secured using the local cropland rates of the RIM easement program. Administration and processing of the easements will be done through the BWSR and Renville, Redwood, Chippewa, and Yellow Medicine SWCD staff. The \$30,000 in Deliverable 2, is a maximum allowable in this category. If multiple easements are funded in one county, the \$2,500/easement administration funds will be capped at \$7,500/SWCD.

Summary Budget Information for Result 1: Trust Fund Budget: \$1,723,548
 Amount Spent: \$ -0-
 Balance: \$ 1,723,548

Deliverable	Completion Date	Budget
1.Easement Acquisition – 12 easements protecting 702.8 acres at the local RIM cropland rate	12/31/2011	\$1,661,848
2. Easement processing/admin/conservation planning/practice implementation for funded easements (maximum \$7,500 per SWCD office)	12/31/2011	\$ 30,000
3. Legal fees & title insurance (\$2,000/easement X 12 easements)	12/31/2011	\$ 24,000
4. BWSR -- Easement processing (\$350/easement X 12 easements)	12/31/2011	\$ 4,200

5. Grant Administration (Renville SWCD) 6/30/2012 \$ 3,500

Result Completion Date: *December 31, 2011*

Result Status as of *December 31, 2010*

Result Status as of *June 30, 2011:*

Result Status as of *December 31, 2011:*

Result Status as of *June 30, 2012:*

Final Report Summary: *June 30, 2012*

Result 2: Habitat Protection Invasive Species Removal

Description: A Conservation Plan is developed for each RIM easement. The plan outlines conservation practices such as removal of invasive species and livestock management, and provides for improvement measures. Habitat maintenance may include rotational grazing systems, fencing, native and non-native invasive species removal (i.e. Red Cedar, Buckthorn, Siberian Elm, & Sumac), prescribed burning and in some cases seeding of native species. Restoration activities will begin as easements are recorded and landowners issued easement payment. Individual easement conservation plan practices will be targeted for completion within one year of easement recording. The \$76,452 is a maximum amount to be spent from this grant. Every effort will be made to use funds from Minnesota DNR, the US Fish & Wildlife Service, BWSR, USDA and funds from private conservation groups for practice implementation. If enough of those funds can be secured by the time the work needs to be completed, implementation funds will then be transferred to Result 1, Deliverable 1 to fund acquisition of additional easement acres.

Summary Budget Information for Result 2: Trust Fund Budget: \$76,452
 Amount Spent: \$ -0-
 Balance: \$76,452

Deliverable	Completion Date	Budget
1. Conservation Plan Practice implementation for 254.8 acres @ \$301/acre	6/30/2012	\$76,452

Result Completion Date: *June 30, 2012*

Result Status as of December 31, 2010:

Result Status as of June 30, 2011:

Result Status as of December 31, 2011:

Result Status as of June 30, 2012:

Final Report Summary: June 30, 2012

V. TOTAL TRUST FUND PROJECT BUDGET:

Personnel: Maximum \$33,500

There is \$30,000 budgeted for Easement Specialists to process easements, write conservation plans, work with landowners, contractors and other agency staff on restoration activities. \$30,000/12 easements=\$2,500/easement. However, no SWCD will receive more than \$7,500 in funding from this category. \$7,500/SWCD is approximately 9% FTE. Scoring of applications has already occurred. Easements to be funded in four of the five counties.

\$3,500 is budgeted for Easement Administration by the Project Manager and Renville SWCD staff. This is 4% FTE.

Salaries and benefits are determined by individual Soil & Water Conservation District elected Boards of Supervisors. Therefore, they vary and the percentages given in this plan are average staff costs.

Contracts: \$ 28,200

Contracts include \$350/easement to the BWSR to process RIM easements for a total of \$4,200 (\$350X12). Also included in the budget item is \$24,000 or \$2,000/easement for attorney fees to do title searches, generate title opinions and for payment of title insurance policies.

Equipment/Tools/Supplies: \$0

Acquisition, including easements: \$1,661,848

This amount is based on protecting 702.8 acres using the BWSR RIM cropland rates in the township where the land is located.

Travel: \$0

Other (Restoration): \$76,452

Restoration costs are based on an average of \$301/acre for 254.8 acres for Invasive Species Removal, prescribed burning and seeding. \$76,452 is the maximum amount of ENRTF funds for Restoration. If funds can be secured from other sources, those funds will be used first and a revision will be requested to allow funding of additional easement acres with grant funds.

TOTAL TRUST FUND PROJECT BUDGET: \$1,800,000

Explanation of Capital Expenditures Greater Than \$3,500: N/A

VI. PROJECT STRATEGY:

A. Project Partners:

Renville SWCD is the lead for grant administration. Throughout the grant period, SWCD staff in Renville, Redwood, Lac qui Parle, Chippewa and Yellow Medicine Counties will work with landowners in their respective county to process easements, as well as develop conservation and restoration plans. The US Fish & Wildlife Service and Minnesota Department of Natural Resources provide staff time for the technical evaluation of easement applications and restoration practices. County Boards of Commissioners along with the Upper and Lower Sioux Indian Communities have provided letters of support for this project. Each of the five Soil & Water Conservation District Boards of Supervisors have submitted a letter of support and have pledged staff time aimed toward the successful completion of this project.

B. Project Impact and Long-term Strategy:

Protecting the rock outcrops is important to the Dakota people. To degrade/destroy rock outcrops or sacred landscapes is to destroy the Dakota Culture. The Dakota consider the Minnesota River Valley their spiritual home. Their relationship with nature calls for reverence, respect, and humility.

Protection and restoration of rock outcrops will preserve unique landscapes and habitats and benefit the numerous endangered, threatened, and special concern species found in this ecosystem. The rock outcrops, and their associated wetland complexes, are home to the following state and federal rare, threatened, and endangered species (both flora and fauna): **Federal Threatened:** Prairie bush clover. **State Endangered:** Wolf's spikerush, lichen (*Buellia nigra*), Henslow's sparrow. **State Threatened:** Kittentails, Short-pointed umbrella sedge, Dakota skipper, Ottoe skipper, Loggerhead shrike. **State Special Concern:** Water-hyssop, Larger water-starwort, mudwort, Great Plains prickly pear, Clustered broomrape, Five-lined skink, Bald eagle, Pawnee skipper, Powesheik skipper, Regal fritillary. **Species of Greatest Conservation Need:** Upland sandpiper. **Non-listed/tracked species:** Carolina foxtail, Eastern fox snake, Three-stamened waterwort, Little barley, Virginia forget-me-not, Mousetail.

Conservation plans may require the removal of native and non-native invasive species, such as Red Cedar, Buckthorn, Siberian Elm and Sumac, and intensive management and will encourage the establishment and the proliferation of specialized plant and animal communities rarely found elsewhere in Minnesota. Mining and intensive grazing disturbance leave the land susceptible to increased soil and mineral erosion and increased nutrient loading and invasion by invasive species. This project will protect the water quality of the Minnesota River, its tributaries, and rock outcrop wetlands, by preventing mining and unmanaged grazing on rock outcrops. The protection of the rock outcrop associated wetlands from mining, development, and agricultural production will insure that the inherent

benefits of these existing wetlands, such as groundwater recharge and reduced flooding impacts, are perpetuated.

In 2007 the Environment and Natural Resource Trust Fund provided the initial \$563,000 to protect Granite Rock Outcrops and Associated Wetlands in Redwood and Renville Counties. A total of 212.4 acres is enrolled into four perpetual RIM Easements as a result of that grant.

In 2009 the Environment and Natural Resource Trust Fund is providing an additional \$1,500,000 for the project. A total of 30 applications totaling 1,481.1 acres with a potential easement cost of \$3,529,973.80 were submitted by landowners in the five participating counties. A team of natural resource professionals visited each site and scored the applications using ecological considerations such as proximity to other natural features, proximity to bodies of water, benefits to endangered, threatened or special concern species, the condition of the site, restoration potential, biodiversity, potential to connect or expand other protected areas, and the size of the application area. In addition to the ecological considerations, scoring took into account the potential for resource loss as well as several societal benefits including the aesthetic value, and potential for public education. Fourteen applications totaling 540.8 acres will be funded using Subd. 4(h).

The 2010 grant will provide for funding of the next 12 highest priority applications protecting an additional 702.8 acres in four of the five eligible counties along the Minnesota River. Prescribed grazing, haying, and prescribed burning will all be essential tools in the future management of this unique landscape.

C. Other Funds Proposed to be Spent during the Project Period:

Minnesota DNR & US Fish & Wildlife Service provide in-kind for staff to do site visits of all applications and score and prioritize sites for acceptance & funding. In addition there will be a total of \$35,510 provided by the BWSR native Buffer Cost-Share Program, Minnesota DNR and the US Fish & Wildlife Service to assist with the cost of invasive species removal and other conservation practice implementation. Staff will continue to pursue additional funding for practice implementation.

D. Spending History: \$563,000.00 has been spent on this project since July 1, 2007 under ML 2007, Chap. 30, Sec 2, Subd. 5(b). \$517,410.72 was spent to fund four easements protecting 212.4 acres. \$6,540.00 was spent for professional services including \$350/easement to BWSR for RIM easement development & processing, attorney fees for title searches & title opinions as well as payment for title insurance policies. \$6,049.28 of grant funds were spent for Habitat Restoration. In addition there was \$31,440.72 obtained from other sources for Habitat Restoration. Those sources included US Fish & Wildlife Service, the Minnesota DNR from both Wildlife & Ecological Resources Divisions, the State of Minnesota Native Buffer Cost-Share program and the USDA Natural Resource

Conservation Service EQIP program. There was a total of \$33,000 in Personnel costs for this project which was disseminated to the Renville & Redwood SWCD offices.

The \$1,272,00 in easement payment funds from ML 2009 Chap. 143, Sec. 2, Subd. 4(h) have been encumbered and are funding fourteen applications for a total of 540.8 acres. Applications have been forwarded to the Board of Water and Soil Resources for easement processing. After easements have been recorded, work can begin on practice implementation.

VII. DISSEMINATION: The Renville SWCD website (www.renvilleswcd.com) continues to update the public on the Rock Outcrop projects by posting information & photos in the “News” section of the website. Each SWCD in Minnesota is required to maintain a website. Those websites contain information on available programs and update the public on current topics of interest in the county.

Each SWCD has a unique position within their community to deliver conservation programs. SWCDs are the local “go to” agency for conservation program delivery and the staff are both trusted and respected by local landowners. Each SWCD office will personally contact landowners who have high quality rock outcrop landscapes on their property. This one-on-one contact will be a major source of providing information to the public.

Individual SWCD offices will continue to keep their local press informed on the progress of the program. In November 2009 the West Central Tribune featured a front page story which reported on Mr. Kalahar’s appearance at the Renville County Board work session where he updated the County Board on the status of the project.

VIII. REPORTING REQUIREMENTS: Periodic work program progress reports will be submitted not later than December 31, 2010, June 30, 2011, and December 31, 2011. A final work program report and associated products will be submitted between June 30 and August 1, 2012 as requested by the LCCMR.

IX. RESEARCH PROJECTS:

Attachment A: Budget Detail for 2010 Projects								
Project Title: Protection of Granite Rock Outcrop Ecosystem								
Project Manager Name: Thomas J. Kalahar								
ENRTF Appropriation: \$1,800,000								
2009 Trust Fund Budget	Result 1 Budget:	Amount Spent (date)	Balance 11-10-2009	Result 2 Budget:	Amount Spent (date)	Balance 11-10-2009	TOTAL BUDGET	TOTAL BALANCE
	Habitat Protection through Perpetual Easements			Habitat Protection Invasive Species Removal				
BUDGET ITEM								
PERSONNEL: wages and benefits	\$0	\$0	\$0				\$0	\$0
\$2,500/easement for easement processing, conservation plans, working with landowners, contractors and other agencies on practice implementation--maximum per SWCD of \$7,500 (9% FTE)	\$30,000		\$30,000				\$30,000	\$30,000
\$3,500 to Renville SWCD for grant management (4% FTE).	\$3,500		\$3,500				\$3,500	\$3,500
Contracts								
Professional/technical BWSR for Easement development & processing (\$350/easement X 12)	\$4,200	\$0	\$4,200				\$4,200	\$4,200
Easement acquisition 702.8 acres. Compensation based on local RIM rates	\$1,661,848	\$0	\$1,661,848				\$1,661,848	\$1,661,848
Professional Services for Acq. (Attorney fees for title searches, title opinions and title insurance policies: \$2,000/easement X 12 easements)	\$24,000	\$0	\$24,000				\$24,000	\$24,000
Other: May include rotational grazing systems, fencing, native & non-native invasive species removal, prescribed burning & in some cases seeding of native grasses. \$301/acres X 254.8 acres				\$76,452	\$0	\$76,452	\$76,452	\$76,452
COLUMN TOTAL	\$1,723,548	\$0	\$1,723,548	\$76,452	\$0	\$76,452	\$1,800,000	\$1,800,000

**2010 Granite Rock Outcrop Grant
Natural Resource Environmental Trust Fund**

Landowner	County	Twp/Sec	Acres	Score	Easement Pymt
Smith	Redwood	SF 7	227.4	135	\$ 538,869.78
Sebring Trust	Yellow Medicine	MF 10	45.5	135	\$ 102,784.50
Red Cedar of Yellow Med	Redwood	SF 18	86.5	130	\$ 204,979.05
Haas Trust East	Redwood	PX	60.8	130	\$ 145,063.32
Lawrence Muetzel	Renville	LF 2	15.8	125	\$ 45,248.04
Almich	Yellow Medicine	MF 3 & 4	48.1	125	\$ 108,657.90
Jensen	Renville	BF 18	6.3	125	\$ 16,834.23
Tufto	Redwood	SF 24	20.0	120	\$ 47,394.00
Tjosvold	Chippewa	GF 28	42.5	120	\$ 104,996.25
Peterson Family Trust	Chippewa	GF 28	39.7	120	\$ 98,078.85
Ross	Yellow Medicine	MF 2	42.3	120	\$ 95,555.70
Opdahl / Burgeson	Yellow Medicine	MF 2 & 11	67.9	120	\$ 153,386.10
Josh Haen West	Renville	BF 18	14.8	115	\$ 39,547.08
Dirlam	Redwood	Delhi 4	6.2	110	\$ 14,217.84
Kollen	Yellow Medicine	ESR 32	36.5	105	\$ 21,327.30
Huseby	Redwood	SF 18	9.0	105	\$ 84,096.00
Bakken	Yellow Medicine	MF 1, 2, 12	99.0	100	\$ 223,641.00
Gaasch East	Renville	BC 36	13.1	95	\$ 44,891.28
Hayes	Renville	LF 3	20.0	95	\$ 57,275.00
Dahmes South	Redwood	Delhi 11	17.4	85	\$ 39,901.68
Clark	Chippewa	Sparta 28	21.5	50	\$ 52,380.45

Total Applications **940.3** **\$** **2,239,125.35**

2010 Funded Easements	702.8	\$ 1,661,847.72
Scored Apps-not funded	237.5	\$ 577,277.63

NOTE: If funded easements cancel or easement acres are reduced making funds available, scored unfunded apps will be accepted as funds allow and based on score(priority).