

(\$ in thousands)

Project Title	Rank Fund		Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2020	2022	2024	2020	2022	2024
Local Roads Wetlands Replacement Program	1	GO	26,400	0	0	26,400	0	0
MN CREP - Conservation Reserve Enhancement Program	2	GO	16,500	0	0	16,500	0	0
<b>Total Project Requests</b>			42,900	0	0	42,900	0	0
<b>General Obligation Bonds (GO) Total</b>			42,900	0	0	42,900	0	0

[bwsr.state.mn.us/](http://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 conservation of private lands (78 percent of Minnesota)
- Collaborative model for results including, since 1987:
  - 29,650 conservation practices installed
  - 8,106 easements funded
  - 275 local water management plans approved (and ongoing)
  - 19,337 wetland credits deposited into the state's wetland bank
- 240 local government accountability assessments completed annually

### PURPOSE

The Board of Water and Soil Resources' (BWSR's) mission is to improve and protect Minnesota's water and soil resources by working in partnership with local organizations and private landowners. The agency has a unique business model that is designed to:

- Operate as an efficient state-level source of technical and financial assistance to the local government delivery system.
- Target implementation of conservation practices and projects that support local goals and meet state objectives.
- Focus on Minnesota's private lands.

BWSR contributes 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.

BWSR also contributes 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.

### STRATEGIES

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

- Serve as the statewide 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 other 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 a forum (through the board) for local issues, priorities, and opportunities to be incorporated into state public policy
- Coordinate state and federal resources to realize local priorities
- Administer implementation of the Wetland Conservation Act and Riparian Protection laws

BWSR accomplishes its mission through these key strategies:

- Developing 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)
- Prioritizing on-the-ground conservation projects in the best locations to achieve multiple benefits and measurable improvements to water and habitat resources
- Ensuring compliance with environmental laws, rules, and regulations
- Implementing agency operations through board and administrative leadership, internal business systems, planning and effectiveness evaluation, and operational support, including the board and board management, financial and accounting services, legislative and public relations, communications, and human resources

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The legal authority for the Board of Water and Soil Resources comes from the following Minnesota Statutes:

- M.S. 103A (<https://www.revisor.mn.gov/statutes/?id=103A>)  
M.S. 103B (<https://www.revisor.mn.gov/statutes/?id=103B>)  
M.S. 103C (<https://www.revisor.mn.gov/statutes/?id=103C>)  
M.S. 103D (<https://www.revisor.mn.gov/statutes/?id=103D>)  
M.S. 103E (<https://www.revisor.mn.gov/statutes/?id=103E>)  
M.S. 103F (<https://www.revisor.mn.gov/statutes/?id=103F>)  
M.S. 103G (<https://www.revisor.mn.gov/statutes/?id=103G>)

**AT A GLANCE**

- Mission: Improve and protect Minnesota’s water and soil resources by working in partnership with local organizations and private landowners.
- Agency Strategic Plan issues:
  1. Broaden and enhance local delivery system and strengthen partnerships to accomplish our mission;
  2. Redeveloping and delivering our conservation programs to maximize their impact on land and water resources;
  3. Making needs and accomplishments well known and understood.

Agency goals and objectives achieved through capital projects include:

- Protecting or retiring marginal and environmentally sensitive lands;
- Targeting conservation projects to the highest priority sites and to local governments with a track record of delivering results;
- Restoring natural retention systems to cost-effectively improve surface water quality, enhance groundwater recharge, and prevent flood damage;
- Achieving the state’s policy of no net loss of wetlands while minimizing federal regulatory and administrative burdens on local public road authorities;
- Leveraging federal, state and local financial resources that enhance the State’s investment.

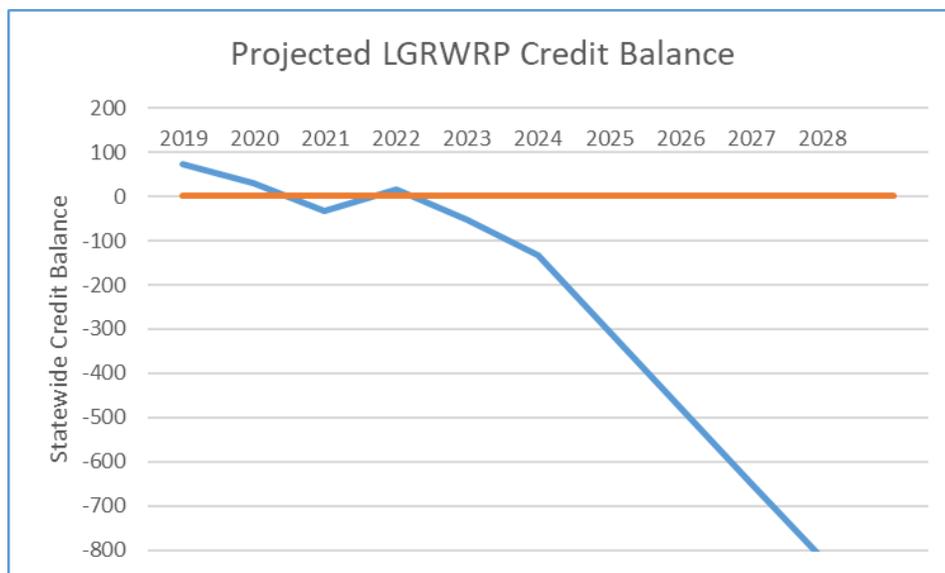
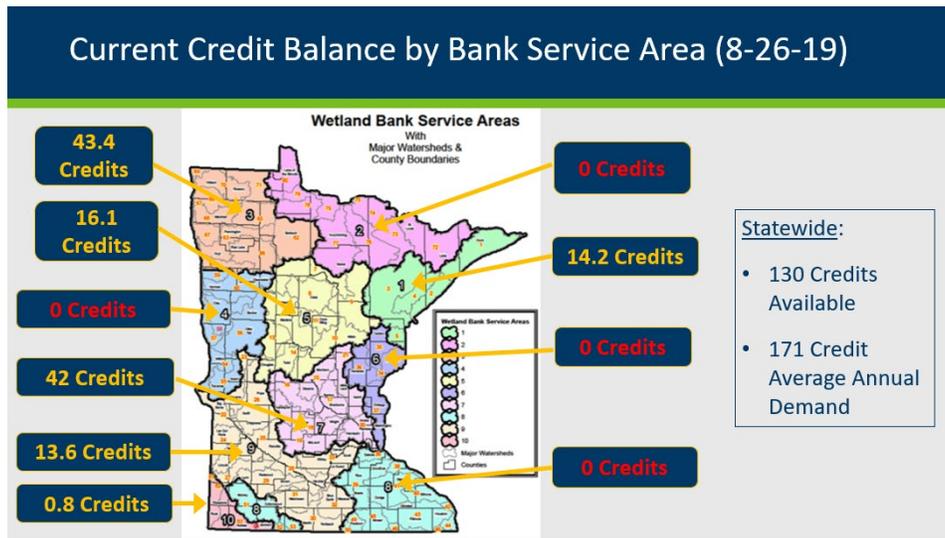
**Factors Impacting Facilities or Capital Programs**

- **Science-based targeting:** Minnesota has completed a number of systematic assessments and plans on nutrient and sediment issues, grasslands, wetlands, and other topics that have helped focus prioritization of restoration and protection areas to the critical places where they are most needed and most cost effective.
- **Federal Conservation Reserve (CRP) lands are decreasing.** There was once over 1.8 million acres of land enrolled in this short-term federal set-aside program. As these contracts begin expiring there is financial pressure for landowners to return these lands—many of them marginal farm land—to production. Currently there are more than 500,000 acres of CRP expiring over the next 5 years. This decline will have adverse effects on habitat, biodiversity, water quality, groundwater recharge, and flood protection currently provided by these lands.
- **Agricultural land values continue to rise.** Rental rates and land values have ascended as demand for food, livestock, and biofuel industries seek larger supplies of primarily corn and soybeans. This pressure results in marginal or highly erodible lands being brought into row crop production.
- **Funding for multi-benefit conservation and clean water projects.** Minnesota’s Conservation Reserve Enhancement Program (MN CREP), a federal-state partnership agreement signed by the governor in January 2017, is positioned to leverage state capital investment funding with significant USDA FSA federal funding and with constitutionally derived Legacy funds. This partnership is bringing in federal dollars to directly address resource problems with strategic, long term solutions.
- **Increased landowner willingness to take action.** Minnesotans are aware of environmental concerns, particularly water quality. Interest in the state’s Reinvest in Minnesota (RIM) program, which provides durable, permanent conservation easements, greatly exceeds available funding. Residents are more aware of the need to protect marginal lands, especially those close to critical water resources. The agricultural community has increased acceptance of the need to remove marginal agricultural lands from production in order to improve production efficiency and water quality.

- **Local program delivery readiness:** USDA, local Soil and Water Conservation Districts and Watershed Districts, state agencies, and non-governmental organizations have a strong field-based presence. Local government officials and staff have advantages that the state does not – they have knowledge of local resources and attitudes, community relationships, an awareness of local needs and priorities and authority over local land use decisions. Local government capabilities in resource management have grown significantly. They are now at a point, however, where they need a wider variety of training and assistance in technical, leadership, and management issues.
- **Minnesota’s buffer law:** Originated in 2015, and amended most recently in 2017, Minnesota’s buffer law enables increased statewide water quality protection, and programs like the MN CREP and RIM are a key option for landowners looking for assistance in complying with the law.

### Self-Assessment of Agency Facilities and Assets

**Local Wetland Road Replacement Program.** Current wetland replacement credits by bank service area and statewide projection are shown in the following two figures:



**Local Wetland Road Replacement Program.** Current projected surplus/deficit wetland replacement credits estimate by bank service area:

Bank Service Area:	Avg Annual Demand	Current Balance	Anticipated Credits 2017	Anticipated Credits 2018	Anticipated Credits 2019	Projected Balances 2017	Projected Balances 2017	Projected Balances 2019
1 - Great Lakes	7.0	3.9	16.1	0.0	0.0	18.2	11.2	0.0
2 – Rainy River	7.0	10.3	0.0	0.0	0.0	8.6	1.6	0.0
3 – Red River North	29.0	35.8	33.5	15.5	0.0	59.5	36.0	0.0
4 – Red River South	10.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5 – Upper Mississippi North	22.0	38.5	41.0	0.0	0.0	70.7	35.7	0.0
6 – St. Croix River	13.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7 – Upper Mississippi South	50.0	24.7	8.3	61.7	40.3	20.5	32.1	0.4
8 – Lower Mississippi	5.0	10.3	10.3	7.3	0.0	19.4	11.5	0.5
9 – Minnesota River	28.0	0.0	10.1	14.7	0.0	3.1	0.0	0.0
10 – Missouri River	2.0	2.0	4.7	0.0	0.0	6.2	4.2	0.0

**Projected Balance:** When the balance in a BSA is insufficient to meet the average annual demand credits were taken from the closest BSA with a positive balance. Anticipated Additional Credits does not include any credits from 2017 bonding funds. Credits from these projects would most likely begin to be deposited in 2020.

**Reinvest in Minnesota (RIM) Reserve Conservation Easement Program.** Since 2001, capital investment appropriations have included these funding levels:

RIM Reserve bond fund history (in \$,000)		
Legislative Session Year	Regular	Disaster Relief
2000	\$21,000	-
2001	\$51,500	-
2003	\$1,000	-
2005	\$23,000	-
2007	-	\$1,000
2008	\$25,000	-
2009	\$500	\$500
2010	-	\$10,000
2011	\$21,600	-
2012	\$6,000	\$1,500
2013	-	-
2014	\$6,000	-
2015	-	\$4,700
2016	-	-
2017	\$10,000	-
2018	\$10,000	-

### Agency Process for Determining Capital Requests

In January 2017, the governor signed a CREP agreement between the State of Minnesota and the United States Dept. of Agriculture (USDA). The MN CREP is an important, bi-partisan initiative focusing on the highest priority areas for reducing nitrogen, phosphorus and sediment; protecting vulnerable drinking water; and enhancing grassland and wetland habitats. At current CRP rates, to secure the full \$350 million in federal leverage, the state’s commitment is \$150 million. Additional state resources estimated at \$25 million that are not eligible for

federal match are needed to provide state easement roundouts for water quality, habitat protection, and land management. Capital investment dollars are a key component of that funding strategy.

The amount of the Local Government Roads Wetlands Replacement request is based on current shortfalls and estimated average annual demand. Maintaining this credit balance is essential to achieving replacement of wetlands prior to the loss and preventing increased costs and project delays.

**Major Capital Projects Authorized in 2018 and 2019.**

In 2018, BWSR was appropriated \$10 million for RIM and \$6.7 million for the Local Government Roads Program. In 2019, BWSR was appropriated \$10 million for RIM.

**Local Roads Wetlands Replacement Program**

**AT A GLANCE**

**2020 Request Amount:** \$26,400

**Priority Ranking:** 1

**Project Summary:** \$26.4 million in State funds is requested to meet the state mandate that requires the Board of Water and Soil Resources to replace the wetlands, and wetland areas of public waters, drained or filled by certain public transportation projects on existing roads. These funds will restore and protect up to 1,500 acres of wetlands, generating approximately 800 wetland replacement credits for the Local Government Roads Wetland Replacement Program (LGRWRP) to meet State and Federal requirements.

**Project Description**

Local public road improvement projects often include unavoidable impacts to wetlands and the state has a statutory obligation to provide the necessary mitigation for the wetlands lost to these local road projects. Since its inception in 1996, the LGRWRP has provided approximately 5,000 compensatory wetland mitigation credits to offset 3,500 acres of wetlands impacted by eligible public road projects.

The program is implemented on a regional basis consisting of ten “bank service areas,” which are based on watersheds. Due to insufficient funding, the program is now out of credits in three of the ten bank service areas. When allowable under Federal law, credits can be taken from certain other bank service areas with a penalty. These penalties result in the spending of remaining credits at an even faster rate. Consequently, the LGRWRP is also nearing default statewide. In addition, the program has a debt of approximately \$1.4 million in wetland credits to the Minnesota Department of Transportation (MnDOT), resulting from credits previously loaned to the program to help temporarily offset funding shortages.

After accounting for funding appropriated through 2018, debt, and projected demand, the LGRWRP is expected to be out of credits statewide by the end of 2021 or early 2022. In addition to unpaid debt to MnDOT, this means that approximately 171 local road projects annually will be unable to obtain permits unless and until alternative mitigation is obtained, causing significant delays and cost increases for these road projects. This current funding request is part of the agency’s long-term plan to bring the program into statewide solvency and meet the State’s statutory obligations.

The current request of \$26.4 million will provide for the planning, design, construction, restoration, and permanent protection of 1,000 to 1,500 acres of wetlands to generate approximately 800 wetland replacement credits over seven to nine years for compliance with State and Federal permitting requirements for public road improvement projects. The wetland restoration projects are completed in accordance with State and Federal rules and credits are typically allocated two to seven years after initiation of the project, necessitating a long-term approach to program planning and funding.

As a result of continued underfunding, without these resources the state will no longer be able to provide planned and funded local public road improvement projects with the wetland mitigation necessary to obtain permits and complete construction, as required by State and Federal law.

### **Project Rationale**

While local road improvement projects are necessary for public safety and transportation, both State and Federal law require any associated wetland impacts to be “replaced” with other wetland resources (e.g. a previously drained wetland that has been restored). Lacking these replacement wetlands, local road authorities cannot obtain the necessary permits to complete construction of planned road improvement projects.

Public benefits generated by the program include :

- On-time and on-budget completion of local public transportation projects.
- More efficient permitting due to agreements and coordination with the U.S. Army Corps of Engineers (responsible for issuing permits under Section 404 of the Federal Clean Water Act).
- Mitigation is provided at a significantly lower public cost due to program efficiencies and economies of scale.
- Higher quality, more sustainable and environmentally beneficial replacement wetlands.

### **Project Timeline**

Wetland replacement projects typically involve the restoration of previously drained or filled wetlands that have been converted to another land use. A typical project will take six to eight years from initiation to completion (final deposit of credits in the Wetland Bank). Assuming an appropriation at the beginning of FY20, the following is an approximate expected timeline:

- FY21: Issue request for proposals and solicit projects, review and accept proposals, and begin the project design and permitting process.
- FY22: Project design and permitting, easement establishment, construction planning, and possibly initiate some construction activities.
- FY23: Construction, construction certification, monitoring, and initial credit releases.
- FY24: Complete any remaining construction activities, corrective actions, monitoring, credit releases, and use of credits.
- FY25: Monitoring, credit releases, and use of credits.
- FY26: Monitoring, credit releases, and use of credits.
- FY27: Monitoring, credit releases, and use of credits.

The project timeline for each individual site will be affected by permitting processes and the wetland banking requirements of U.S. Army Corps of Engineers. Various other factors will also affect timelines, from weather (construction) to addressing pre-existing property rights (easement establishment).

### **Other Considerations**

Without a full State funding commitment to this program, planned and funded local road improvement projects will either not be completed, or will be delayed and incur substantial increased costs.

Specifically, a lack of full State funding will result in the following negative consequences:

- Increased costs of wetland mitigation that will be transferred to local governments.
- Increased permitting costs and timelines due to the elimination of the streamlined process that

currently exists with the U.S. Army Corps of Engineers.

- Increased program implementation costs for local, state, and federal agency staff due to the elimination of program efficiencies.
- Decreased wetland mitigation quality, resulting in a loss of public value.
- Reversal of the stakeholder consensus that resulted in wetland regulatory reforms (Laws 1996, Chap. 462 and Laws 2000, Chap. 382).

Also, it is important to note that a lack of credits in certain bank service areas due to inadequate funding necessitates use of credits from other bank service areas, resulting in the State incurring a penalty in the form of a higher replacement ratio (additional credits are required for the same impact). These penalties use credits at a faster rate and increase the cost to taxpayers.

**Impact on Agency Operating Budgets**

BWSR is required to periodically monitor and inspect easements to ensure owner compliance with the terms of the easement (MN Rule 8420.0735, Subp. 1B). To comply with this requirement, BWSR typically inspects wetland banking easements every five years. In 2015, the legislature established a mitigation easement stewardship account (Minn. Stat. § 103B.103) to provide a long-term funding mechanism for monitoring and managing wetland banking easements.

**Description of Previous Appropriations**

Previous capital appropriations include:

<b>Year</b>	<b>Stated Agency Need</b>	<b>Bonding Appropriation</b>	<b>General Fund Appropriation</b>	<b>Funding Deficit</b>
<b>2016</b>	\$10,330,000	0	0	(10,330,000)
<b>2017</b>	\$10,330,000	5,000,000	5,000,000	(330,000)
<b>2018</b>	\$16,380,000	6,700,000	0	(9,680,000)
<b>2019</b>	\$26,400,000	0	0	(26,400,000)

**Project Contact Person**

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**Governor's Recommendation**

The Governor recommends \$26.4 million in general obligation bonds for this request.

# Water and Soil Resources Board

# Project Detail

(\$ in thousands)

## Local Roads Wetlands Replacement Program

### PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2020	FY 2022	FY 2024
<b>State Funds Requested</b>				
General Obligation Bonds	\$ 0	\$ 26,400	\$ 0	\$ 0
<b>Funds Already Committed</b>				
<b>Pending Contributions</b>				
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 26,400</b>	<b>\$ 0</b>	<b>\$ 0</b>

### TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2020	FY 2022	FY 2024
Property Acquisition	\$ 0	\$ 16,000	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 1,200	\$ 0	\$ 0
Project Management	\$ 0	\$ 1,930	\$ 0	\$ 0
Construction	\$ 0	\$ 7,220	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 50	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 26,400</b>	<b>\$ 0</b>	<b>\$ 0</b>

### IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2020	FY 2022	FY 2024
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

### SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 26,400	100 %
User Financing	\$ 0	0 %

## STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 &amp; 6 and 16E.05 subd. 3)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	N/A
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	N/A
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2024?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A

**MN CREP - Conservation Reserve Enhancement Program**

**AT A GLANCE**

**2020 Request Amount:** \$16,500

**Priority Ranking:** 2

**Project Summary:** \$16.5 million is requested to acquire permanent easements for water quality and wildlife habitat in the west central and southern agricultural portions of the state. This investment is part of a state-federal partnership, resulting in 60,000 acres of buffers, wetland restorations and wellhead protection in the next five to seven years and leveraging federal US Department of Agriculture (USDA) matches up to \$2 for every state dollar spent.

**Project Description**

MN CREP is voluntary, locally driven, and targets the most environmentally sensitive acres as part of the USDA Conservation Reserve Program (CRP) and the State’s Reinvest In Minnesota (RIM) Reserve Program. The RIM program compensates landowners for permanent conservation easements and for establishment of native vegetation in riparian areas, and on economically marginal, flood-prone, environmentally sensitive or highly erodible lands.

MN CREP is focused on nutrient and sediment reduction priorities and habitat goals identified in local and statewide management plans. It uses riparian buffers, wetland restoration, and other practices to protect critical riparian areas and areas with water quality impairments due to modifications to hydrology, sedimentation, and nutrient transport. To support the goal of 60,000 acres of permanent protection in 54 counties, the state has established strong partnerships with other agencies, producers (and producer organizations), soil and water conservation districts and non-governmental organizations. This effort will utilize state and local technical expertise, strategic planning, and fiscal resources to assure that projects are cost effective and provide significant environmental benefits for both water quality and habitat.

BWSR worked closely with the Commissioners of DNR, Agriculture, Health, and PCA to develop this program. In January 2017, Governor Dayton and Acting USDA Secretary Scuse signed the MN CREP Agreement at an estimated cost of approximately \$525 million over five years. A combination of USDA CRP payments and incentives and state funding will be necessary to achieve a potential 2:1 federal to state match. The State has already made a significant commitment through Bonding, Outdoor Heritage Fund, Clean Water Fund and Environment and Natural Resources Trust Funds to meet our obligation, but we have not reached our funding target yet. With the current federal funding structure, this request will achieve our original funding goal.

Because of the short-term duration of CREP (five years) and the length of time that it takes to complete easement transactions on a large scale (1-2 years), it is important to secure state funding early to enter into agreements with landowners for easements and begin easement transaction work as soon as possible.

## **Project Rationale**

The state has invested heavily in assessing water quality and wildlife habitat throughout the state. There are numerous reports that document water quality impairments in the agricultural region of the state. This project will improve water quality, protect sources of drinking water, protect and restore watercourses and provide wildlife habitat through permanent protection of buffers, wetland restorations and wellhead areas.

When the agreement was signed, MN CREP costs were estimated to be \$350 million from USDA and \$175 million from the State. This request will assist the State in reaching the match required to fully utilize the USDA funding. \$16.5 million of bonding funding will bring the State's total contribution to \$175 million.

## **Project Timeline**

### General MN CREP Timeline

January 2017 – MN CREP Agreement Signed by Governor and USDA

May 2017 – Continuous Sign-up Began

August 2018 – Federal government temporarily suspended CRP program

June 2019 – Applications resume

January 2023 – 60,000 acres enrolled

January 2026 – 60,000 acres restored

### Typical MN CREP landowner timeline

Voluntary application

Application review, scoring and selection – within 1 month

CRP contract begins and RIM easement recorded – within 1 year

Restoration completed – within 1 to 3 years after RIM easement recorded

## **Other Considerations**

It is critical to secure the full state commitment this funding cycle as federal dollars are released proportionally to the state appropriation; therefore, the state must have funds appropriated for landowner payments.

Landowner interest continues to be strong as they enter marginal lands into MN CREP and continue production on a majority of their land. This trend is expected to continue throughout the life of MN CREP.

## **Impact on Agency Operating Budgets**

BWSR enters into joint powers agreements with soil and water conservation districts to conduct monitoring of Reinvest in Minnesota (RIM) easements. Inspections are conducted in each of the first five years after the easement is recorded and every three years thereafter. BWSR currently compensates SWCD's approximately \$50 per easement for this work that is funded through general fund appropriations.

## **Description of Previous Appropriations**

FY16/17: \$29.75 million from the clean water fund and \$25.06 million from the outdoor heritage fund.

FY18/19: \$19.5 million from the environment and natural resources trust fund, \$16.25 million from the clean water fund, \$30.731 million from the outdoor heritage fund, \$10 million from general obligation bonds.

FY20/21: \$17.25 million from the clean water fund, \$10 million from general obligation bonds.

Total: \$158.541 million.

**Project Contact Person**

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**Governor's Recommendation**

The Governor recommends \$16.5 million in general obligation bonds for this request.

# Water and Soil Resources Board

# Project Detail

(\$ in thousands)

## MN CREP - Conservation Reserve Enhancement Program

### PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2020	FY 2022	FY 2024
<b>State Funds Requested</b>				
General Obligation Bonds	\$ 0	\$ 16,500	\$ 0	\$ 0
<b>Funds Already Committed</b>				
<b>Pending Contributions</b>				
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 16,500</b>	<b>\$ 0</b>	<b>\$ 0</b>

### TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2020	FY 2022	FY 2024
Property Acquisition	\$ 0	\$ 12,030	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 285	\$ 0	\$ 0
Project Management	\$ 0	\$ 228	\$ 0	\$ 0
Construction	\$ 0	\$ 3,915	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 42	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 16,500</b>	<b>\$ 0</b>	<b>\$ 0</b>

### IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2020	FY 2022	FY 2024
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

### SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 16,500	100 %
User Financing	\$ 0	0 %

## STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 &amp; 6 and 16E.05 subd. 3)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	N/A
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2024?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A