On January 24, 2025, the Minnesota Supreme Court held that 68 members are necessary to constitute a quorum of the House. This document reflects proceedings that occurred before that decision was issued and are no longer active. Demuth, No. A25-0066 (Minn. Jan. 24, 2025) (consolidated with Hortman et al. v. Demuth et al., No. A25-0068).

# JANUARY 23, 2025 TESTIMONY REGARDING HF8 PERMITTING OF RED RIVER BASIN FLOOD MITIGATION AND WATER STORAGE PROJECTS

**Background:** The Red River Watershed Management Board (RRWMB) has the following projects currently in its funding process with financial commitments of \$39,217,667. Total investment in these projects to date, including other local and state funding is over \$60 million. RRWMB membership has spent approximately \$5,055,000 on permitting and environmental review for these ten projects, which is approximately 30 percent of non-construction costs.

Project	Local Permits 24%	State Permits 62%	Federal Permits 13%	Private Permits <sup>4</sup> 1%	Total 100%
Klondike <sup>1</sup>	8	8	2	0	18
Redpath <sup>1</sup>	4	7	2	1	14
Nelson Slough	1	5	1	0	7
Lilac Ridge	1	5	1	0	7
Newfolden <sup>1</sup>	1	4	1	0	6
Swift Coulee <sup>2</sup>	1	6	1	0	8
Pine Lake <sup>3</sup>	1	6	1	0	8
Roseau	2	6	1	0	9
Whitney Site A	1	4	1	0	6
Whitney Site C	1	4	1	0	6
Total	21	55	12	1	89

<sup>&</sup>lt;sup>1</sup>Projects currently under construction.

#### Issues:

- Level of Effort Environmental Review and Permitting: The level of effort is high to conduct environmental review and to obtain permits and authorizations from state and federal agencies for flood mitigation/water storage and related projects. Some permit and environmental review processes can take years.
- Number of Permits and Approvals Required: The average number of permits and
  approvals needed for Red River Basin (RRB) projects is nine. There are also fifteen projects
  at the concept and development phase in addition to current RRWMB funded projects listed
  above. There is potential for an 100 + permits for these fifteen projects. One example of
  required permits is included for the Redpath Impoundment in the Bois de Sioux Watershed
  District (Page 3).

<sup>&</sup>lt;sup>2</sup>Anticipated to be in the RRWMB funding process in calendar year 2025.

<sup>&</sup>lt;sup>3</sup>Completed but still in the RRWMB funding process.

<sup>&</sup>lt;sup>4</sup>Railroad company permit.

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- Streamlining of State Agency Processes: Agencies have differing permitting and
  environmental review processes and procedures. This adds to the level of effort and
  complexity to apply for permits and to move projects through environmental review.
- Coordination of State and Federal Agencies: For most projects in the RRB, it is our
  experience that state permitting and environmental review cannot suffice for federal
  processes. This results in duplication of effort, delays, and inefficiency, which causes
  increased costs for local government. As an example, joint watershed district and DNR
  projects on state land must go through review by the USFWS if federal funds were originally
  used for land acquisition. Land exchanges are another area that can cause considerable
  time delays if there are school trust lands involved.

### Current or Recent Examples/Issues:

- Lilac Ridge Project Case Study: This Project was under development by the Middle-Snake-Tamarac Rivers Watershed District (MSTRWD) in the RRB. Over \$800,000 was spent by the MSTRWD and federal government on permitting and environmental review. The Project has been halted and will not move forward due to a fen wetland being identified at the Project site.
- Culvert Permitting: During the Fall of 2024, the Minnesota DNR indicated that they
  were considering changes to MS103G.245, Subdivision 2 related to culverts. This
  may result in more permits being required at the local level.
- Beaches Lake Area Fen Wetland Management Plan: It took one year to develop
  the fen management plan and three years for an operating plan, with multiple DNR
  divisions involved. This is for the Klondike Clean Water Retention Project in the Two
  Rivers Watershed District.

#### What is Needed?

- A comprehensive review of environmental review and permitting processes to ensure efficiency and streamlining. The RRWMB commented to the EQB in 2016, 2018, 2022, and 2024 on mandatory categories – with no changes being implemented regarding our concerns.
- Higher levels of coordination between state and federal agencies.
- Streamlined and fewer state permitting processes.
- Greater recognition and acceptance of regional processes in lieu of state permitting.
   In the RRB, agencies and partners at all levels are involved in the 1998 RRB
   Mediation Agreement related to flood damage reduction and related natural resources projects.
  - State agencies recommitted to the process in January 2021.
  - The Flood Damage Reduction Work Group implements the Agreement.
  - Look to "Collaboration on Surface Water Management in Northwest Minnesota – The Red River Model" document as an example.

Thank you for the opportunity to comment. The RRWMB and its membership look forward to collaborating with you on the streamlining of permitting processes in Minnesota.

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## Redpath Impoundment Project Bois de Sioux Watershed District Permits and Approvals Required by all Entities

Agency	Permit Application	Description	Status
Federal			
United States Army Corps of	Section 408	For work modifying JD 14 (federal project)	Approved July 2022
Engineers	Section 404	Placement of fill in waters of the U.S.	Approved July 2022
		State	
Minnesota	NDPES/SWPPP	Pollution Prevention during construction activity	To be Submitted Prior to Construction
Pollution Control Agency	Section 401	Possible for Water Quality Certification (MPCA in process of updating requirements)	Not Needed at this time
Minnesota	Work in Public Waters	Work effecting Mustinka River	Approved Nov 2021
Department of Natural	Dam Safety Permit	Embankment / Spillway	Approved Nov 2021
Resources	MN Stat. 103E. Ditch Improvement	TCD 35 Improvement	Approved Jan 2022
Minnesota Board of Water and Soil Resources	103D Project Development	Required for Watershed District to establish project.	Approved August 2022
		Local	
Grant County Highway Department / Gorton Township	Work to Public Roadways and/or Agreement for change to road	For work to 330 <sup>th</sup> Ave and County Road 31	To be Submitted Prior to Construction
Traverse County Highway Department / Redpath Township	Work to Public Roadways and/or Agreement for change to road	For work to CSAH 13, 750 <sup>th</sup> Ave, 760 <sup>th</sup> Ave, 770 <sup>th</sup> Ave, CR-67, CR-90, and 700 <sup>th</sup> Street.	Approved Dec 2021
Bois de Sioux Watershed District	N/A	Project Proposer- Additional Permits are not Anticipated	N/A
Grant County	Zoning Variance / Approval		Not needed
Traverse County	Zoning Variance / Approval		Not needed
Traverse County SWCD	Minnesota Wetland Conservation Act	Impacts to surrounding wetlands	Approved in 2016
Private			
BNSF Railroad	Work within Right of Way	Grading of JD 14 and Berms	To be Submitted Prior to Construction

Collaboration on Surface Water Management in Northwest W Minnesota – The Red River Model: The Red River Basin Model July 2, 2024 - Adobe cloud storage OR <a href="https://acrobat.adobe.com/id/urn:aaid:sc:va6c2:af176a47-0ef9-4315-b38a-9f6d1e0335d3">https://acrobat.adobe.com/id/urn:aaid:sc:va6c2:af176a47-0ef9-4315-b38a-9f6d1e0335d3</a>

Every \$1 Invested in Hazard Mitigation Saves \$6 According to the National Institute of Building Sciences. Source: FEMA - <a href="https://www.nibs.org/reports/natural-hazard-mitigation-saves-2019-report">https://www.nibs.org/reports/natural-hazard-mitigation-saves-2019-report</a>