

APRIL 4, 2025 TESTIMONY REGARDING SF0570 SENATE ENVIRONMENT, CLIMATE, AND LEGACY COMMITTEE

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 local and state funding sources is approximately \$70 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 ⁴ 1% | Total 100% |
|---------------------------|----------------------|----------------------|------------------------|------------------------------------|---------------|
| Klondike ¹ | 8 | 8 | 2 | 0 | 18 |
| Redpath ¹ | 4 | 7 | 2 | 1 | 14 |
| Nelson Slough | 1 | 5 | 1 | 0 | 7 |
| Lilac Ridge | 1 | 5 | 1 | 0 | 7 |
| Newfolden ¹ | 1 | 4 | 1 | 0 | 6 |
| Swift Coulee ² | 1 | 6 | 1 | 0 | 8 |
| Pine Lake ³ | 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 |

¹Projects 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 135 permits (+ or -) for these fifteen projects. One example of required permits is included for the Redpath Impoundment in the Bois de Sioux Watershed District (Page 3).
- 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.

²Anticipated to be in the RRWMB funding process in calendar year 2025.

³Completed but still in the RRWMB funding process.

⁴Railroad company permit.

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 late in the permitting process at the Project site.
- 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.

Recommendations and Needs:

- A comprehensive analysis of environmental review and permitting processes to ensure efficiency and streamlining.
- Higher levels of coordination between state and federal agencies.
- Include watersheds districts within Subdivision 9 of SF0570 the Ombudsman.
- 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 the "Collaboration on Surface Water Management in Northwest Minnesota – The Red River Model" document as an example (link below).

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.

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

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

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 Pollution Control Agency | NDPES/SWPPP | Pollution Prevention during construction activity | To be Submitted Prior to Construction |
| | 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 330th 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 th Ave, 760 th Ave, 770 th Ave, CR-67, CR-90, and 700 th 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 |
| rivate | | | |
| BNSF Railroad | Work within Right of Way | Grading of JD 14 and Berms | To be Submitted Prior to Construction |