



Minnesota Department of Natural Resources

500 Lafayette Road
St. Paul, Minnesota 55155-4010

03 - 0161

February 4, 2003

The Honorable Richard J. Cohen
Senate Finance Division
Room 317, State Capitol

The Honorable Dallas C. Sams
Senate Environment, Agricultural and Economic Development Budget Division
Room 328, State Capitol

The Honorable Dennis Ozment
House Environment and Natural Resources Finance Committee
479 State Office Building

The Honorable Jim Knoblach
House Ways and Means Committee
453 State Office Building

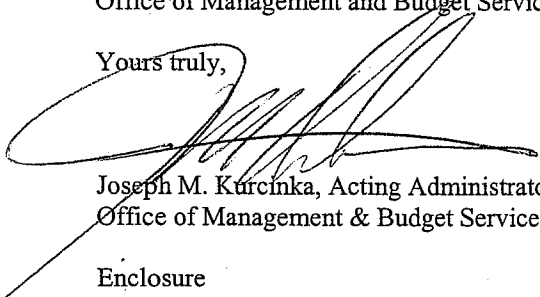
Dear Senators Cohen and Sams and Representatives Ozment and Knoblach:

Minnesota Statute 84.026, "Contracts for Provisions of Natural Resources Services", requires a report of revenues and expenditures made under this section to the chairs of the committee on appropriations in the House and Finance in the Senate by January 1 each odd-numbered year.

The enclosed report covers fiscal years 1998 – 2003 and includes a brief description of the purpose of each contract.

If you or your staff have any questions, please call Sandy Lueth (651.296.5468), Business Services Section, Office of Management and Budget Services.

Yours truly,



Joseph M. Kurcinka, Acting Administrator
Office of Management & Budget Services

Enclosure

cc: Jim Reinholdz
Steve Ernest
Keith Bogut
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DEPARTMENT OF NATURAL RESOURCES
 CONTRACTS FOR PROVISION OF NATURAL RESOURCES SERVICES
 MINNESOTA STATUTES 84.026
 ODD-NUMBERED YEAR REPORT

APPROPRIATION ACCOUNT DESCRIPTION	****FISCAL YEAR 1998****		****FISCAL YEAR 1999****		****FISCAL YEAR 2000****		***FISCAL YEAR 2001***		***FISCAL YEAR 2002***		***FISCAL YEAR 2003*** ESTIMATED TO DATE 1/31/03		***COMBINED YEARS***	
	ACTUAL RECEIPTS	DISBURSEMENTS	ACTUAL RECEIPTS	DISBURSEMENTS	ACTUAL RECEIPTS	DISBURSEMENTS	ACTUAL RECEIPTS	DISBURSEMENTS	ACTUAL RECEIPTS	DISBURSEMENTS	RECEIPTS	DISBURSEMENTS	RECEIPTS	DISBURSEMENTS
Fund 200 Approp 818 REG ADMIN COOP AGR Agreements with Dept. of Corrections and private corporations or foundations to fund crew leaders of non-violent offenders working on DNR projects	2.2	0.3	2.0	1.8	10.0	10.7	0.1	0.1	0.0	1.0	17.1	0.0	31.4	13.9
Fund 200 Approp 024 METROPASS	0.0	0.0	14.6	11.2	0.0	0.0	8.9	11.0	10.9	3.9	10.0	6.2	44.4	32.3
Fund 200 Approp 620 FISHERIES COOP AGREEMENT Cost Share Agreements for DNR to conduct fisheries studies or projects	12.6	54.4	71.0	0.0	397.6	418.0	1.7	14.4	62.6	59.0	75.0	10.7	620.5	556.5
Fund 200 Approp 621 WILDLIFE COOPERATIVE AGREEMENT Cost share agreements for DNR to conduct wildlife studies or projects.	292.8	176.3	41.6	59.5	79.9	21.8	94.2	30.7	(52.8)	71.6	40.0	0.1	495.7	360.0
Fund 200 Approp 622 ECOLOGICAL SERVICES COOPERATIVE AGR Cost share agreements for DNR to conduct environmental studies or projects.	78.5	79.9	78.9	16.6	73.8	50.1	91.0	16.1	94.4	199.4	135.0	22.2	551.6	384.3
Fund 200 Approp 901 I & E COOPERATIVE AGREEMENT Cooperative Agreement with Minnesota Waterfowl Association to renovate the DNR State Fair duck pond into Minnesota Wetland exhibit.	74.9	108.2	87.3	103.1	187.4	156.3	39.7	77.9	0.1	1.1	0.1	0.0	389.5	446.6
Fund 200 Approp 904 PLANNING COOPERATIVE AGREEMENT Agreement with Board of Soil & Water Resources to provide facilitation services to develop draft rules using a regulatory negotiation process. Services include facilitation, recording and final rule document for rule advisory committee.	10.0	18.8	21.6	38.8	2.6	0.1	130.8	80.6	16.8	62.7	15.0	0.3	196.8	201.3
Fund 200 Approp 805 SALT SPRINGS MANAGEMENT ACCT					11.3	21.7	0.0	0.0	0.0	0.0	0.0	0.0	11.3	21.7
Fund 200 Approp 200 WATERS COOPERATIVE AGREEMENTS Monies collected from public and private agencies to carry out various cooperative agreements.	45.6	45.4	24.7	46.7	38.6	65.3	70.7	43.1	61.4	49.3	50.0	23.0	291.0	272.8
Fund 200 Approp 291 LOWER RED RIVER COOPERATIVE-WATERS To fund the Division of Waters Red River Watershed Coordinator position. This position Coordinates and assists water management activities in the Red River Valley.	24.0	23.9	24.0	23.9	24.0	24.0	24.0	24.0	24.0	24.0	24.0	0.0	144.0	119.8
Fund 200 Approp 106 MINERALS CYPRESS NO. SHORE Set up in the Fall of 1977 pursuant to an order by the State Supreme Court for regulation of Mile Post #7 and related activities; for monitoring of construction and operation of these facilities.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fund 200 Approp 300 FORESTRY COOP AGREEMENT Agreement with Hubbard County to manage the Spider-Coon Lake State Forest Road reconstruction contract process, supervise construction and share cost with the county.	159.4	187.5	113.7	170.0	243.0	131.0	202.5	195.8	221.9	198.3	250.0	164.6	1,190.5	1,047.2
Fund 200 Approp 321 FORESTRY FIRE EQUIP COOP Agreements with rural fire departments for purchase of federal surplus equipment that are reconditioned. Expenditures are for the reconditioning of equipment.	39.9	41.2	36.9	32.3	74.8	57.4	46.0	59.6	58.9	14.6	47.0	1.0	303.5	206.0

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31205:01-20 MFCC COOPERATIVE AGREEMENT Agreement with various federal & state entities. Funds are used for operating expenses incurred at the MN Interagency Fire Center in Grand Rapids MN. Participating entities are billed quarterly.	60.8	176.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	60.8	176.0
Fund 200 Approp 907 I & E CREATIVE SVS COOP AGREEMENT Agreement with other State agencies for creative work services.	0.0	0.0	13.7	10.3	5.9	2.4	8.5	4.9	8.8	0.5	15.0	(5.0)	51.9	13.1
Fund 200 Approp 112 MINERALS MISC MATCHES Cooperative research with Assoc. Iron and Steele Industries with pass through matching funds for research on taconite processing-secondary grinding.	0.0	0.0	10.0	10.0	1.5	0.6	23.3	0.4	5.5	0.0	5.0	20.5	45.3	31.5
Fund 200 Approp 100 MINERALS COOPERATIVE AGREEMENTS Program of iron ore cooperative research to assist companies to reduce costs and improve quality of iron ore pellets.	147.7	60.4	121.0	216.9	155.9	296.4	114.3	47.5	39.6	63.9	95.0	10.6	673.5	695.7
Fund 200 Approp 402 PARKS TOWER SOUDAN COOPERATIVE Payment for park service provided to University of Minnesota experimental project that is taking place in the mine. Payment relates to park staff salaries and hoist costs.	117.7	96.1	71.5	66.0	94.7	56.2	87.9	98.3	109.0	24.3	18.7	5.0	499.5	345.9
Fund 200 Approp 400 PARKS COOPERATIVE AGREEMENTS Agreements with public and private organizations for marketing initiatives, conducting surveys and other work.	50.6	60.7	38.6	27.2	211.1	26.5	398.5	231.8	216.6	317.3	250.0	87.3	1,165.4	750.8
Fund 200 Approp 404 PARKS SOUDAN MINES	0.0	0.0	75.5	53.2	574.0	333.0	782.8	411.2	406.8	289.0	500.0	209.1	2,339.1	1,295.5
Fund 200 Approp 205 WAT-FED CLIM SERVICE AGR					0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fund 200 Approp 307 YOUTH PROGRAMS COOPERATIVE AGREEMENT Cooperative agreement with Jobs & Training and Dept. of Corrections for youth work programs and natural resources experiences.	21.1	79.8	12.0	11.6	12.0	15.4	12.0	7.8	14.2	9.3	0.0	5.2	71.3	129.1
Fund 200 Approp 308 YOUTH PROGRAMS COOP AGREEMENTS Grant for DNR to operate a Youth Employment and Training Program. Payment is for participant wages and fringe benefits.	15.0	10.9	31.4	22.5	0.0	2.6	234.8	103.6	96.6	149.3	0.0	1.3	377.8	290.2
Fund 200 Approp 309 SALT SPRINGS COOP AGR Agreement with the U of M to manage the state salt lands on behalf of the University. Management includes leasing, sale of resources, granting easements, permits and licenses, collecting rent and other payments due, and establishing and enforcing rules.	0.0	0.0	0.0	0.0	7.2	0.0	0.0	6.8	0.0	0.4	3.0	0.3	10.2	7.5
Fund 200 Approp 503 TRAILS & WATERWAYS COOPERATIVE AGR Agreement with Department of Public Service, Energy Division to fund a solar powered parking lot flood light and night fishing light.	80.8	92.0	53.3	70.8	61.4	1.5	397.7	23.0	397.3	52.9	50.0	30.2	1,040.5	270.4
Fund 200 Approp 502 T & W TIRE CLEAN-UP COOPERATIVE AGREEMENT Agreement with MPCA for waste tire	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.0	0.2

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removal along Minnesota rivers.														
Fund 200 Approp 108 MINERALOGICAL CHARACTERIZATION Agreements for DNR to conduct mineral characterization studies to determine and evaluate iron sulfideminerals in mine waste.	43.4	43.4	25.3	25.3	49.0	49.0	12.1	12.1	35.9	35.9	39.0	11.4	204.7	177.1
Fund 200 Approp 905 SAFETY PROGRAMS AGREEMENTS Agreements with the Division of Emergency Management (DPS) for management of the Radiological Emergency Preparedness Program, and with the Pollution Control Agency for DNR to provide safety program management.	45.4	48.5	47.6	47.6	49.8	47.8	54.4	47.4	80.1	44.0	42.6	5.8	319.9	241.1
Fund 200 Approp 203 WATERS ONCE THRU SYTEM Agreement with 120 South Sixth Street Partners for DNR to collect fees while the once thru water systems being terminated.	36.0	36.0	54.0	54.0	0.0	0.0	2.8	0.0	0.2	0.2	0.0	0.0	93.0	90.2
Fund 200 Approp 105 MINERALS COOP PHOTOGRAMMETRICO Funding provided by various public and private organizations to produce aerial photography, digital terrain models and mapping for the Mesabi Iron Range.	40.0	0.0	60.5	100.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.5	100.5
Fund 200 Approp 506 CITY OF SILVER BAY COOP AGREEMENT Funding for the design and construction of the administration building, boat slips and utilities installation for Silver Bay Harbor of Refuge.	557.0	6.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	557.0	6.0
Fund 200 Approp 813 JOINT POWERS BOARD AGREEMENT Work with Mankato Joint Powers, Zone 10, on soil and water conservation district project.	11.0	11.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	11.0	11.0
Fund 200 Approp 814 TROUT STREAM GRANT Funding from the Metropolitan Council to provide financial assistance to reduce, control, and prevent nonpoint sources of pollution to metropolitan area rivers and streams.	17.7	10.8	16.0	3.0	0.0	3.0	12.0	19.9	3.5	9.0	5.0	0.6	54.2	46.3
Fund 200 Approp 315 FORESTRY NRCS COOP AGR For joint development of intergrated FIA/NRI vegetation inventory so that a data base test bed can be developed creating a joint product integrating both inventories.	0.0	0.0	204.6	45.9	83.4	61.4	0.0	32.7	127.3	186.8	250.0	72.8	665.3	399.6
Fund 200 Approp 320 FORESTRY EMERGENCY FIRE NONSTATE Reimbursements from Federal and other jurisdictions for emergency fire expenses incurred fighting fires on non-state lands.	0.0	0.0	947.2	947.2	1,031.6	1,028.5	2,553.3	2,364.7	2,876.7	2,876.7	3,000.0	2,531.3	10,408.8	9,748.4
Fund 200 Approp 010 MN DOT Environ Review Works with MN DOT to get their priority Environment reviews completed.									200.0	111.0	200.0	117.4	400.0	228.4
Fund 200 Approp 114 L & M East RNG Water Mgmt Develop information on the hdyrology of the watersheds impacted by LTVSMC's mining facilities in the East Range area in order to implement a watershed restoration plan.									167.0	92.5	120.0	61.8	287.0	154.3
Fund 200 Approp 115 Long Term Mine Waste Disolution Provide for environmentally sound mine waste management by generating scientific foundations for predicting mine waste drainage pH.											52.0	11.8	52.0	11.8
Fund 200 Approp 116 Analytical Screening-Waste Rock Conduct a screening analysis of waste rock to determine the long-term behavior of abandoned mine wastes.											26.1	3.4	26.1	3.4

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Fund 200 Approp 117 Exchange of Mercury in Taconite Develop a method to evaluate the exchange of mercury in taconite tailings and taconite dust.											30.2	0.0	30.2	0.0
Fund 200 Approp 204 319 PCA KARST Grant Agreement for DNR to augment state karst features, determine hydraulic connection between surface features and streams, investigate the of selected limestone quarries and conduct education and training seminars in selected southeastern Minnesota counties.											0.0	0.0	0.0	0.0
Fund 200 Approp 371 Forestry Sustain Wdinds-MATCH These dollars are used as cost sharing for private land owners from MFA.									64.9	0.2	80.0	0.1	144.9	0.3
TOTAL	373,008.7	274,390.9	427,524.7	409,935.9	640,412.0	527,168.1	983,528.0	717,779.0	962,676.0	885,713.5	931,917.1	3214.5	4,205,554.1	3,324,065.1

NOTES: "Actual Receipts" does not include carry forward. Receipts reflected as of December 31, 1999. Therefore, FY 2000 receipts do not reflect a full year.
 Actual receipts and disbursements are dollars in thousands.