

LEGISLATIVE COMMISSION ON MINNESOTA RESOURCES
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John Velin, Director

January 15, 1997


Governor Arne Carlson
Senator Richard Cohen, Chair State Government Finance
Senator Bob Lessard, Chair Environment and Natural Resources
Representative Loren Solberg, Chair Ways and Means
Representative Willard Munger, Chair Environment and Natural Resources

Dear Colleagues:

Transmitted herewith is the biennial report of the Legislative Commission on Minnesota Resources (LCMR) as required in MS 116P. On January 8 and 9, 1997, the members specifically adopted the new 1997 appropriation recommendations as well as the recommendations for items to be incorporated into the regular agency budgets.

We look forward to presenting this information and certainly encourage questions and discussion. Thank you for the opportunity to serve the Legislature in this capacity.

Sincerely,



Senator Steve Morse,
Chair LCMR

LCMR

Legislative Commission on Minnesota Resources

BIENNIAL REPORT

PURSUANT TO:
M.S. 116P.09, Subd. 7

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Senator Dennis Frederickson, Secretary

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Gary Laidig; Bob Lessard; James Metzen, Leonard Price*

*Representatives: Ron Erhardt; Phyllis Kahn; Willard Munger; Tom Osthoff;
Dennis Ozment; Tom Rukavina; Loren Solberg*

CITIZEN ADVISORY COMMITTEE MEMBERS:

Nancy Gibson, Chair; Nancy Reynolds; Marvin Tinklenberg; Jeffrey
Johnson; Christine Kneeland; Greta Hesse Gauthier; Guy Glover; Arlan
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The Legislative Commission on Minnesota Resources 1997 Biennial Report
is provided as required by MS 116P.09. It is organized in the same order
as the Statute below, items 1 through 11.

Additional items are contained in the appendix which has a separate table of contents.

MS 116P.09 Administration.

Subd. 7. Report required. The commission shall, by January 15 of each odd-numbered year, submit a report to the governor, the chairs of the house appropriations and senate finance committees, and the chairs of the house and senate committees on environment and natural resources. Copies of the report must be available to the public. The report must include:

- (1) a copy of the current strategic plan;
- (2) a description of each project receiving money from the trust fund and Minnesota future resources fund during the preceding biennium;
- (3) a summary of any research project completed in the preceding biennium;
- (4) recommendations to implement successful projects and programs into a state agency's standard operations;
- (5) to the extent known by the commission, descriptions of the projects anticipated to be supported by the trust fund and Minnesota future resources account during the next biennium;
- (6) the source and amount of all revenues collected and distributed by the commission, including all administrative and other expenses;
- (7) a description of the assets and liabilities of the trust fund and the Minnesota future resources fund;
- (8) any findings or recommendations that are deemed proper to assist the legislature in formulating legislation;
- (9) a list of all gifts and donations with a value over \$1,000;
- (10) a comparison of the amounts spent by the state for environment and natural resources activities through the most recent fiscal year; and
- (11) a copy of the most recent compliance audit.

SIX-YEAR STRATEGIC PLAN FOR 1996-2002
FOR GUIDING RECOMMENDED EXPENDITURES FROM
MINNESOTA FUTURE RESOURCES FUND
MINNESOTA ENVIRONMENT AND NATURAL
RESOURCES TRUST FUND
GREAT LAKES PROTECTION ACCOUNT

Adopted December 7, 1995
Pursuant to Minnesota Statutes 116P.08

This plan incorporates revisions to the Six Year Strategic Plans for 1990-1996, 1992-1998 and 1994-2000 and is based on drafts submitted by the Citizen Advisory Committee for the Environment and Natural Resources Trust Fund as advisory to the

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I. LEGISLATIVE COMMISSION ON MINNESOTA RESOURCES

The Legislative Commission on Minnesota Resources (LCMR) was created in 1963 to provide the Legislature with the background necessary to evaluate programs proposed to preserve, develop and maintain Minnesota's natural resources.

The LCMR is comprised of 16 members, consisting of the chairs of the House and Senate committees on environment and natural resources (or designees appointed for the terms of the chairs), the chairs of the House ways and means and Senate finance committees (or designees appointed for the terms of the chairs), six members of the Senate appointed by the subcommittee on committees of the Committee on Rules and Administration and six members of the House appointed by the Speaker. At least two members from the Senate and two members from the House must be from the minority caucus. The members elect their officers, rotating the Chair from the Senate to the House every two years. The LCMR employs a full time professional and support staff.

The LCMR recommends projects to enhance and protect Minnesota's natural resources to the Legislature from four funding sources: (1) the Minnesota Future Resources Fund (MS 116P.13); (2) the Minnesota Environment and Natural Resources Trust Fund (MS 116P); (3) Oil Overcharge Money (MS 4.071); and (4) the Great Lakes Protection Account (MS 116Q.02).

The LCMR makes recommendations to the Legislature each odd year. The appropriations from the Minnesota Future Resources Fund are supported by a portion of the state cigarette tax. In 1988, the LCMR was charged to make funding recommendations for a portion of the oil overcharge money and for the Environment and Natural Resources Trust Fund. The first funding recommendations from the Trust Fund were approved in 1991 for a two-year period and were designated for projects completed in June 1993. The second cycle of Trust Fund expenditures were expended during July 1993- June 1995. The next appropriations are scheduled to begin in July 1997. In 1990, the LCMR was given responsibility for review and recommendation of projects from the Great Lakes Protection Account. The 1995-97 funding biennium was the first funding cycle for the Great Lakes Protection Account.

The LCMR develops its recommendations after an extensive review of natural resource issues. The LCMR requests both written and oral advice from a wide variety of interested and knowledgeable citizens. After examination and discussion of the issues, the members suggest projects as recommended appropriations. The LCMR recommendations become law when enacted by the Legislature.

PLANNING PROCESS

The Citizen Advisory Committee (CAC), consisting of 11 citizen members, advises the LCMR on the development of a statewide Strategic Plan to guide expenditure recommendations from the Trust Fund. The CAC recommended plan for Trust Fund Expenditure is advisory to the LCMR and is used in the development of a comprehensive Strategic Plan for all of the funding sources from which the LCMR makes recommendations. The Governor appoints the CAC Chair, one member from each congressional district, and three additional at large members.

The Strategic Plan is a six-year plan first adopted in December 1989. The plan is to guide recommendations for natural resource expenditures. The plan is revised every two years. The Fall 1995 revision to the Strategic Plan is the third biennial revision.

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The Strategic Plan is a six-year plan first adopted in December 1989. The plan is to guide recommendations for natural resource expenditures. The plan is revised every two years. The Fall 1995 revision to the Strategic Plan is the third biennial revision.

The priority strategies in the plan are to guide the LCMR's biennial recommendations for expenditure from the four funding sources. These strategies are incorporated in the Request for Proposals (RFP) issued by the Commission. The proposals received in response to the RFP are evaluated against the criteria in the plan (also incorporated into the RFP). These strategies and criteria may be modified each time the plan is revised.

RECOMMENDATIONS

The Commission made its last funding recommendations to the Legislature in Summer 1994. The Commission determined which funding source was appropriate for a proposed project recommendation based on the funding criteria. Acted upon by the 1995 Legislature, and with Commission workprogram approval, funds became available for projects beginning July 1, 1995. The Strategic Plan for 1996-2002 and its accompanying Request for Proposal I (RFP) is for funding for projects beginning in July 1997.

II. FUNDING SOURCES

The Strategic Plan guides expenditure recommendations from the Legislative Commission on Minnesota Resources to the Minnesota Legislature for natural resource projects. Funding recommendations will be from three sources for the biennium beginning July 1997.

FUNDING SOURCES:

- **Minnesota Future Resources Fund (MS 116P.13)** estimated amount available \$14.5 million for July 1997- June 1999 biennium funding. This funding is from a portion of the cigarette tax:

For new, innovative or accelerative natural resource projects designed to help maintain and enhance Minnesota's natural resources.

- **Minnesota Environment and Natural Resource Trust Fund (Trust Fund) (MS 116P.08)** estimated amount available \$14 million for July 1997- June 1999 biennium funding. The state lottery contributes approximately 7 cents per dollar of sales to the Trust Fund. The amount estimated is from earnings of the Trust Fund:

For the management, preservation and enhancement of Minnesota's environment and natural resources. Trust Fund expenditures must conform to the Strategic Plan and Trust Fund law.

A. Trust Fund Vision

All Minnesotans have an obligation to use and manage our natural resources in a manner that promotes wise stewardship and enhancement of the state's resources for ourselves and for future generations. The Trust Fund is a perpetual fund that provides a legacy from one generation of Minnesotans to the many generations to follow. It shall be used to preserve, protect, restore and enhance both the bountiful and the threatened natural resources that are the collective heritage of every Minnesotan. It shall also be used to nurture a sense of responsibility by all, and to further our understanding of Minnesota's resource base and the consequences of human interaction with the environment.

B. Trust Fund Mission

The mission of the Trust Fund is to ensure a long-term secure source of funding for environment and natural resource activities whose benefits are realized only over an extended period of time.

- **Great Lakes Protection Account (MS 116Q.02)** estimated amount available \$40,000 for July 1997- June 1999. This funding is from Minnesota's contribution to the Great Lakes Protection Fund:

For protecting water quality in the Great Lakes. Including supplementing Great Lakes water quality programs and advancing the goals of the regional Great Lakes Toxic Substances Control Agreement and the Binational Great Lakes Water Quality Agreement.

- **Oil Overcharge Money (MS 4.071)** There are no funds expected to be available for July 1997- June 1999 biennium funding. This funding was from a federal court case settlement apportioned among the states:

For projects resulting in decreased dependence on fossil fuels and for technology transfer with the same purpose.

III. PRIORITY FUNDING STRATEGIES

The Commission seeks proposals based on strategies that are developed through fact-finding, public input, the results of previous projects, and Natural Resource Forums. In 1995, there were three regional Natural Resource Forums. Strategies are modified on a two-year time frame.

For the biennium beginning July 1997, the strategies are listed in the 1997 Request for Proposals (RFP) adopted December 1995.

IV. CRITERIA FOR EVALUATION OF PROPOSALS

For the biennium beginning July 1997, the criteria are listed in the 1997 Request for Proposals (RFP) adopted December 1995.

V. BACKGROUND AND PROPOSAL REVIEW PROCESS

For the biennium beginning July 1997, the process is listed in the 1997 Request for Proposals (RFP) adopted December 1995.

VI. TRUST FUND LAW HIGHLIGHTS AND CONSTITUTIONAL AMENDMENT
TRUST FUND LAW ELIGIBILITY

A. THE TRUST FUND LAW ALLOWS FUNDING IN THE FOLLOWING AREAS:

1. the Reinvest in Minnesota program as provided in section 84.95, subd. 2;
2. research that contributes to increasing the effectiveness of protecting or managing the state's environment or natural resources;
3. collection and analysis of information that assists in developing the state's environmental and natural resources policies;
4. enhancement of public education, awareness, and understanding necessary for the protection, conservation, restoration, and enhancement of air, land, water, forests, fish, wildlife, and other natural resources;
5. capital projects for the preservation and protection of unique natural resources;
6. activities that preserve or enhance fish, wildlife, land, air, water, and other natural resources that otherwise may be substantially impaired or destroyed in any area of the state;
7. administrative and investment expenses incurred by the state board of investment in investing deposits to the trust fund; and
8. administrative expenses subject to the limits in section 116P.09.

■ The state recreation system and the metro regional recreation system are included in the definition of natural resources and therefore are eligible for funding.

B. ACTIVITIES INELIGIBLE FOR FUNDING FROM THE TRUST FUND ARE:

1. purposes of environmental compensation and liability under Chapter 115B and response actions under Chapter 115C;
2. purposes of municipal water pollution control under the authority of Chapters 115 and 116, including combined sewer overflow under Section 116.162;
3. costs associated with the decommissioning of nuclear power plants;
4. hazardous waste disposal facilities;
5. solid waste disposal facilities; or
6. projects or purposes inconsistent with the Strategic Plan.

C. 116P.03 TRUST FUND NOT TO SUPPLANT EXISTING FUNDING

(a) The trust fund may not be used as a substitute for traditional sources of funding environmental and natural resources activities, but the trust fund shall supplement the traditional sources, including those sources used to support the criteria in section 116P.08, subdivision 1. The trust fund must be used primarily to support activities whose benefits become available only over an extended period of time.

D. CONSTITUTION OF THE STATE OF MINNESOTA

ARTICLE XI

APPROPRIATIONS AND FINANCES

Sec. 14. Environment and natural resources fund. A permanent Minnesota environment and natural resources trust fund is established in the state treasury. The principal of the environment and natural resources trust fund must be perpetual and inviolate forever, except appropriations may be made from up to 25 percent of the annual revenues deposited in the fund until fiscal year 1997 and loans may be made of up to five percent of the principal of the fund for water system improvements as provided by law. This restriction does not prevent the sale of investments at less than the cost to the fund, however, all losses not offset by gains shall be repaid to the fund from the earnings of the fund. The net earnings from the fund shall be appropriated in a manner prescribed by law for the public purpose of protection, conservation, preservation and enhancement of the state's air, water, land, fish, wildlife and other natural resources. Not less than 40 percent of the net proceeds from any state-operated lottery must be credited to the fund until the year 2001. (Adopted, November 8, 1988; Amended November 6, 1990)

VII. TRUST FUND LAW

Environmental Protection Funds CHAPTER 116P ENVIRONMENT AND NATURAL RESOURCES TRUST FUND

116P.01 FINDINGS.

The legislature finds that all Minnesotans share the responsibility to ensure wise stewardship of the state's environment and natural resources for the benefit of current citizens and future generations. Proper management of the state's environment and natural resources includes and requires foresight, planning, and long-term activities that allow the state to preserve its high quality environment and provides for wise use of its natural resources. The legislature also finds that to undertake such activities properly, a long-term, consistent, and stable source of funding must be provided.

HIST: 1988 c 690 art 1 s 5

116P.02 DEFINITIONS.

Subdivision 1. **Applicability.** The definitions in this section apply to sections 116P.01 to 116P.13.

Subd. 2. **Advisory committee.** "Advisory committee" means the advisory committee created in section 116P.06.

Subd. 3. **Board.** "Board" means the state board of investment.

Subd. 4. **Commission.** "Commission" means the legislative commission on Minnesota resources.

Subd. 5. **Natural resources.** "Natural resources" includes the outdoor recreation system under section 86A.04 and regional recreation open space systems as defined under section 473.351, subdivision 1.

Subd. 6. **Trust fund.** "Trust fund" means the Minnesota environment and natural resources trust fund established under Minnesota Constitution, article XI, section 14.

HIST: 1988 c 690 art 1 s 6; 1989 c 335 art 1 s 269

116P.03 TRUST FUND NOT TO SUPPLANT EXISTING FUNDING.

(a) The trust fund may not be used as a substitute for traditional sources of funding environmental and natural resources activities, but the trust fund shall supplement the traditional sources, including those sources used to support the criteria in section 116P.08, subdivision 1. The trust fund must be used primarily to support activities whose benefits become available only over an extended period of time.

(b) The commission must determine the amount of the state budget spent from traditional sources to fund environmental and natural resources activities before and after the trust fund is established and include a comparison of the amount in the report under section 116P.09, subdivision 7.

HIST: 1988 c 690 art 1 s 7

116P.04 TRUST FUND ACCOUNT.

Subdivision 1. **Establishment of account and investment.**

A Minnesota environment and natural resources trust fund, under article XI, section 14, of the Minnesota Constitution, is established as an account in the state treasury. The commissioner of finance shall credit to the trust fund the amounts authorized under this section and section 116P.10. The state board of investment shall ensure that trust fund money is invested under section 11A.24. All money earned by the trust fund must be credited to the trust fund. The principal of the trust fund and any unexpended earnings must be invested and reinvested by the state board of investment.

Subd. 2. Repealed, 1990 c 610 art 1 s 59

Subd. 3. **Revenue.** Nothing in sections 116P.01 to 116P.12 limits the source of contributions to the trust fund.

Subd. 4. **Gifts and donations.** Gifts and donations, including land or interests in land, may be made to the trust fund. Noncash gifts and donations must be disposed of for cash as soon as the board prudently can maximize the value of the gift or donation. Gifts and donations of marketable securities may be held or be disposed of for cash at the option of the board. The cash receipts of gifts and donations of cash or capital assets and marketable securities disposed of for cash must be credited immediately to the principal of the trust fund. The value of marketable securities at the time the gift

or donation is made must be credited to the principal of the trust fund and any earnings from the marketable securities are earnings of the trust fund.

Subd. 5. **Audits required.** The legislative auditor shall audit trust fund expenditures to ensure that the money is spent for the purposes provided in the commission's budget plan.

HIST: 1988 c 690 art 1 s 8; 1990 c 610 art 1 s 44; 1991 c 343 s 1

116P.05 LEGISLATIVE COMMISSION ON MINNESOTA RESOURCES.

Subdivision 1. **Membership.** (a) A legislative commission on Minnesota resources of 16 members is created, consisting of the chairs of the house and senate committees on environment and natural resources or designees appointed for the terms of the chairs, the chairs of the house ways and means and senate finance committees or designees appointed for the terms of the chairs, six members of the senate appointed by the subcommittee on committees of the committee on rules and administration, and six members of the house appointed by the speaker.

At least two members from the senate and two members from the house must be from the minority caucus. Members are entitled to reimbursement for per diem expenses plus travel expenses incurred in the services of the commission.

(b) Members shall appoint a chair who shall preside and convene meetings as often as necessary to conduct duties prescribed by this chapter.

(c) Members shall serve on the commission until their successors are appointed.

(d) Vacancies occurring on the commission shall not affect the authority of the remaining members of the commission to carry out their duties, and vacancies shall be filled in the same manner under paragraph (a).

Subd. 2. **Duties.** (a) The commission shall recommend a budget plan for expenditures from the environment and natural resources trust fund and shall adopt a strategic plan as provided in section 116P.08.

(b) The commission shall recommend expenditures to the legislature from the Minnesota future resources fund under section 116P.13.

(c) It is a condition of acceptance of the appropriations made from the Minnesota future resources fund, Minnesota environment and natural resources trust fund, and oil overcharge money under section 4.071, subdivision 2, that the agency or entity receiving the appropriation must submit a work program and semiannual progress reports in the form determined by the legislative commission on Minnesota resources. None of the money provided may be spent unless the commission has approved the pertinent work program.

(d) The peer review panel created under section 116P.08 must also review, comment, and report to the commission on research proposals applying for an appropriation from the Minnesota resources fund and from oil overcharge money under section 4.071, subdivision 2.

(e) The commission may adopt operating procedures to fulfill its duties under sections 116P.01 to 116P.13.

HIST: 1988 c 690 art 1 s 9; 1989 c 335 art 1 s 269; 1990 c 594 art 1 s 56; 1991 c 254 art 2 s 39; 1991 c 343 s 2; 1993 c 4 s 15; 1994 c 580 s 1

116P.06 ADVISORY COMMITTEE.

Subdivision 1. **Membership.** (a) An advisory committee of 11 citizen members shall be appointed by the governor to advise the legislative commission on Minnesota resources on project proposals to receive funding from the trust fund and the development of budget and strategic plans. The governor shall

appoint at least one member from each congressional district. The governor shall appoint the chair.

(b) The governor's appointees must be confirmed with the advice and consent of the senate. The membership terms, compensation, removal, and filling of vacancies for citizen members of the advisory committee are governed by section 15.0575.

Subd. 2. **Duties.** (a) The advisory committee shall:

(1) prepare and submit to the commission a draft strategic plan to guide expenditures from the trust fund;

(2) review the reinvest in Minnesota program during development of the draft strategic plan;

(3) gather input from the resources congress during development of the draft strategic plan;

(4) advise the commission on project proposals to receive funding from the trust fund; and

(5) advise the commission on development of the budget plan.

(b) The advisory committee may review all project proposals for funding and may make recommendations to the commission on whether the projects:

- (1) meet the standards and funding categories set forth in sections 116P.01 to 116P.12;
- (2) duplicate existing federal, state, or local projects being conducted within the state; and
- (3) are consistent with the most recent strategic plan adopted by the commission.

HIST: 1988 c 690 art 1 s 10; 1989 c 335 art 1 s 269; 1991 c 254 art 2 s 40; 1991 c 343 s 3

116P.07 RESOURCES CONGRESS.

The commission must convene a resources congress at least once every biennium and shall develop procedures for the congress. The congress must be open to all interested individuals. The purpose of the congress is to collect public input necessary to allow the commission, with the advice of the advisory committee, to develop a strategic plan to guide expenditures from the trust fund. The congress also may be convened to receive and review reports on trust fund projects. The congress shall also review the reinvest in Minnesota program.

HIST: 1988 c 690 art 1 s 11; 1991 c 254 art 2 s 41; 1991 c 343 s 4

116P.08 TRUST FUND EXPENDITURES; EXCEPTIONS; PLANS.

Subdivision 1. **Expenditures.** Money in the trust fund may be spent only for:

- (1) the reinvest in Minnesota program as provided in section 84.95, subdivision 2;
- (2) research that contributes to increasing the effectiveness of protecting or managing the state's environment or natural resources;
- (3) collection and analysis of information that assists in developing the state's environmental and natural resources policies;
- (4) enhancement of public education, awareness, and understanding necessary for the protection, conservation, restoration, and enhancement of air, land, water, forests, fish, wildlife, and other natural resources;
- (5) capital projects for the preservation and protection of unique natural resources;
- (6) activities that preserve or enhance fish, wildlife, land, air, water, and other natural resources that otherwise may be substantially impaired or destroyed in any area of the state;
- (7) administrative and investment expenses incurred by the state board of investment in investing deposits to the trust fund; and
- (8) administrative expenses subject to the limits in section 116P.09.

Subd. 2. **Exceptions.** Money from the trust fund may not be spent for:

- (1) purposes of environmental compensation and liability under chapter 115B and response actions under chapter 115C;
- (2) purposes of municipal water pollution control under the authority of chapters 115 and 116, including combined sewer overflow under section 116.162;
- (3) costs associated with the decommissioning of nuclear power plants;
- (4) hazardous waste disposal facilities;
- (5) solid waste disposal facilities; or
- (6) projects or purposes inconsistent with the strategic plan.

Subd. 3. **Strategic plan required.** (a) The commission shall adopt a strategic plan for making expenditures from the trust fund, including identifying the priority areas for funding for the next six years. The strategic plan must be updated every two years. The plan is advisory only. The commission shall submit the plan, as a recommendation, to the house of representatives appropriations and senate finance committees by January 1 of each odd-numbered year.

(b) The commission may accept or modify the draft of the strategic plan submitted to it by the advisory committee before voting on the plan's adoption.

Subd. 4. **Budget plan.** (a) Funding may be provided only for those projects that meet the categories established in subdivision 1.

(b) Projects submitted to the commission for funding may be referred to the advisory committee for recommendation.

(c) The commission must adopt a budget plan to make expenditures from the trust fund for the purposes provided in subdivision 1. The budget plan must be submitted to the governor for inclusion in the biennial budget and supplemental budget submitted to the legislature.

(d) Money in the trust fund may not be spent except under an appropriation by law.

Subd. 5. **Public meetings.** All advisory committee and commission meetings must be open to the public. The commission shall attempt to meet at least once in each of the state's congressional districts during each biennium.

Subd. 6. **Peer review.** (a) Research proposals must include a stated purpose, timeline, potential outcomes, and an explanation of the need for the research. All research proposals must be reviewed by a peer review panel before receiving an appropriation.

(b) In conducting research proposal reviews, the peer review panel shall:

(1) comment on the methodology proposed and whether it can be expected to yield appropriate and useful information and data;

(2) comment on the need for the research and about similar existing information available, if any;

(3) report to the commission and advisory committee on clauses (1) and 2.

(c) The peer review panel also must review completed research proposals that have received an appropriation and comment and report upon whether the project reached the intended goals.

Subd. 7. **Peer review panel membership.** (a) The peer review panel must consist of at least five members who are knowledgeable in general research methods in the areas of environment and natural resources. Not more than two members of the panel may be employees of state agencies in Minnesota.

(b) The commission shall select a chair every two years who shall be responsible for convening meetings of the panel as often as is necessary to fulfill its duties as prescribed in this section.

Compensation of panel members is governed by section 15.059, subdivision 3.

HIST: 1988 c 690 art 1 s 12; 1989 c 335 art 1 s 178; 1991 c 254 art 2 s 42,43; 1991 c 343 s 5,6; 1994 c 580 s 2,3

116P.09 ADMINISTRATION.

Subdivision 1. **Administrative authority.** The commission may appoint legal and other personnel and consultants necessary to carry out functions and duties of the commission. Permanent employees shall be in the unclassified service. In addition, the commission may request staff assistance and data from any other agency of state government as needed for the execution of the responsibilities of the commission and advisory committee and an agency must promptly furnish it.

Subd. 2. **Liaison officers.** The commission shall request each department or agency head of all state agencies with a direct interest and responsibility in any phase of environment and natural resources to appoint, and the latter shall appoint for the agency, a liaison officer who shall work closely with the commission and its staff.

Subd. 3. **Appraisal and evaluation.** The commission shall obtain and appraise information available through private organizations and groups, utilizing to the fullest extent possible studies, data, and reports previously prepared or currently in progress by public agencies, private organizations, groups, and others, concerning future trends in the protection, conservation, preservation, and enhancement of the state's air, water, land, forests, fish, wildlife, native vegetation, and other natural resources. Any data compiled by the commission shall be made available to any standing or interim committee of the legislature upon the request of the chair of the respective committee.

Subd. 4. **Personnel.** Persons who are employed by a state agency to work on a project and are paid by an appropriation from the trust fund or Minnesota future resources fund are in the unclassified civil service, and their continued employment is contingent upon the availability of money from the appropriation. When the appropriation has been spent, their positions must be canceled and the approved complement of the agency reduced accordingly. Part-time employment of persons for a project is authorized. The use of classified employees is authorized when approved as part of the work program required by section 116P.05, subdivision 2, paragraph (c).

Subd. 5. **Administrative expense.** The administrative expenses of the commission shall be paid from the various funds administered by the commission as follows:

(1) Through June 30, 1993, the administrative expenses of the commission and the advisory committee shall be paid from the Minnesota future resources fund. After that time, the prorated expenses related to administration of the trust fund shall be paid from the earnings of the trust fund.

(2) After June 30, 1993, the prorated expenses related to administration of the trust fund may not exceed an amount equal to four percent of the projected earnings of the trust fund for the biennium.

Subd. 6. **Conflict of interest.** A commission member, advisory committee member, peer review panelist, or an employee of the commission may not participate in or vote on a decision of the commission, advisory committee, or peer review panel relating to an organization in which the member,

panelist, or employee has either a direct or indirect personal financial interest. While serving on the legislative commission, advisory committee, or peer review panel, or being an employee of the commission, a person shall avoid any potential conflict of interest.

Subd. 7. Report required. The commission shall, by January 15 of each odd-numbered year, submit a report to the governor, the chairs of the house appropriations and senate finance committees, and the chairs of the house and senate committees on environment and natural resources. Copies of the report must be available to the public. The report must include:

- (1) a copy of the current strategic plan;
- (2) a description of each project receiving money from the trust fund and Minnesota future resources fund during the preceding biennium;
- (3) a summary of any research project completed in the preceding biennium;
- (4) recommendations to implement successful projects and programs into a state agency's standard operations;
- (5) to the extent known by the commission, descriptions of the projects anticipated to be supported by the trust fund and Minnesota future resources account during the next biennium;
- (6) the source and amount of all revenues collected and distributed by the commission, including all administrative and other expenses;
- (7) a description of the assets and liabilities of the trust fund and the Minnesota future resources fund;
- (8) any findings or recommendations that are deemed proper to assist the legislature in formulating legislation;
- (9) a list of all gifts and donations with a value over \$1,000;
- (10) a comparison of the amounts spent by the state for environment and natural resources activities through the most recent fiscal year; and
- (11) a copy of the most recent compliance audit.

HIST: 1988 c 690 art 1 s 13; 1991 c 254 art 2 s 44-46; 1991 c 343 s 7-10; 1994 c 580 s 4

116P.10 ROYALTIES, COPYRIGHTS, PATENTS.

This section applies to projects supported by the trust fund, the Minnesota future resources fund, and the oil overcharge money referred to in section 4.071, subdivision 2, each of which is referred to in this section as a "fund." The fund owns and shall take title to the percentage of a royalty, copyright, or patent resulting from a project supported by the fund equal to the percentage of the project's total funding provided by the fund. Cash receipts resulting from a royalty, copyright, or patent, or the sale of the fund's rights to a royalty, copyright, or patent, must be credited immediately to the principal of the fund. Before a project is included in the budget plan, the commission may vote to relinquish the ownership or rights to a royalty, copyright, or patent resulting from a project supported by the fund to the project's proposer when the amount of the original grant or loan, plus interest, has been repaid to the fund.

HIST: 1988 c 690 art 1 s 14; 1993 c 172 s 79

116P.11 AVAILABILITY OF FUNDS FOR DISBURSEMENT.

(a) The amount biennially available from the trust fund for the budget plan developed by the commission consists of the earnings generated from the trust fund. Earnings generated from the trust fund shall equal the amount of interest on debt securities and dividends on equity securities. Gains and losses arising from the sale of securities shall be apportioned as follows:

- (1) if the sale of securities results in a net gain during a fiscal year, the gain shall be apportioned in equal installments over the next ten fiscal years to offset net losses in those years. If any portion of an installment is not needed to recover subsequent losses identified in paragraph (b), it shall be added to the principal of the fund; and
- (2) if the sale of securities results in a net loss during a fiscal year, the net loss shall be recovered from the gains in paragraph (a) apportioned to that fiscal year. If such gains are insufficient, any remaining net loss shall be recovered from interest and dividend income in equal installments over the following ten fiscal years.

(b) For funding projects until fiscal year 1997, the following additional amounts are available from the trust fund for the budget plans developed by the commission:

- (1) for the 1991-1993 biennium, up to 25 percent of the revenue deposited in the trust fund in fiscal years 1990 and 1991;
- (2) for the 1993-1995 biennium, up to 20 percent of the revenue deposited in the trust fund in fiscal year 1992 and up to 15 percent of the revenue deposited in the fund in fiscal year 1993;

(3) for the 1993-1995 biennium, up to 25 percent of the revenue deposited in the trust fund in fiscal years 1994 and 1995, to be expended only for capital investments in parks and trails; and

(4) for the 1995-1997 biennium, up to 25 percent of the revenue deposited in the fund in fiscal year 1996, to be expended only for capital investments in parks and trails.

(c) Any appropriated funds not encumbered in the biennium in which they are appropriated cancel and must be credited to the principal of the trust fund.

HIST: 1988 c 690 art 1 s 15; 1990 c 594 art 1 s 57; 1990 c 612 s 14; 1992 c 513 art 2 s 27; 1992 c 539 s 10; 1993 c 300 s 10; 1994 c 580 s 5; 1995 c 220 s 111

116P.12 WATER SYSTEM IMPROVEMENT LOAN PROGRAM.

Subdivision 1. **Loans authorized.** (a) If the principal of the trust fund equals or exceeds \$200,000,000, the commission may vote to set aside up to five percent of the principal of the trust fund for water system improvement loans. The purpose of water system improvement loans is to offer below market rate interest loans to local units of government for the purposes of water system improvements.

(b) The interest on a loan shall be calculated on the declining balance at a rate four percentage points below the secondary market yield of one-year United States treasury bills calculated according to section 549.09, subdivision 1, paragraph (c).

(c) An eligible project must prove that existing federal or state loans or grants have not been adequate.

(d) Payments on the principal and interest of loans under this section must be credited to the trust fund.

(e) Repayment of loans made under this section must be completed within 20 years.

(f) The Minnesota public facilities authority must report to the commission each year on the loan program under this section.

Subd. 2. **Application and administration.** (a) The commission must adopt a procedure for the issuance of the water system improvement loans by the public facilities authority.

(b) The commission also must ensure that the loans are administered according to its fiduciary standards and requirements.

HIST: 1988 c 690 art 1 s 16

116P.13 MINNESOTA FUTURE RESOURCES FUND.

Subdivision 1. **Revenue sources.** The money in the Minnesota future resources fund consists of revenue credited under section 297.13, subdivision 1, clause (1).

Subd. 2. **Interest.** The interest attributable to the investment of the Minnesota future resources fund must be credited to the fund.

Subd. 3. **Revenue purposes.** Revenue in the Minnesota future resources fund may be spent for purposes of natural resources acceleration and outdoor recreation, including but not limited to the development, maintenance, and operation of the state outdoor recreation system under chapter 86A and regional recreation open space systems as defined under section 473.351, subdivision 1.

HIST: 1988 c 690 art 1 s 17; 1989 c 335 art 1 s 179

VIII. THE LEGISLATIVE COMMISSION ON MINNESOTA RESOURCES

COMMISSION MEMBERS: Senator Steve Morse, Chair. **Senators:** Dennis Frederickson, Janet Johnson, Gary Laidig, Bob Lessard, Gene Merriam, James Metzen, Leonard Price.

Representatives: Chuck Brown, Ron Erhardt, Phyllis Kahn, Willard Munger, Dennis Ozment, James Rice, Tom Rukavina, Loren Solberg.

CITIZEN ADVISORY COMMITTEE (CAC) FOR THE ENVIRONMENT AND NATURAL RESOURCES TRUST FUND

Nancy Gibson, Chair, Arlan Anderson, Patricia Baker, Ty Bischoff, Guy Glover, Marilee Hein, Christine Kneeland, Jack LaVoy, Marvin Tinklenberg, Michael Triggs. Vacancy in congressional district #4.

Strategic Plan Comment Sheet

We would like you to evaluate this Strategic Plan. The LCMR reaches out to citizens through newsletters, summer fact-finding trips, regional forums and project review sessions. This sheet is another opportunity to gather feedback on the breadth and depth of the Strategic Plan. While there is some structure given, feel free to send us any comments you may have on the plan. Keep in mind the role of LCMR is to recommend spending to the full Legislature from special money available for environment and natural resources. Your own local legislators will of course be glad to field questions or comments on areas not related to environmental spending.

Feel free to attach additional sheets if necessary. This evaluation sheet is designed as a pullout page, with our mailing address preprinted on the reverse. Simply enter your comments and send it to us by mail. E-mail will also work, our address is lcmr@commissions.leg.state.mn.us.

1. Does the plan anticipate future natural resource issues and suggest areas of funding to help plan for future needs?

2. What current or future issue area is not addressed in the plan?

3. Suggestions for changes to the LCMR process?

Legislative Commission on Minnesota Resources

Appendix A.

LCMR

1997 Request for Proposals

Newsletter No. 9

December 1995

The LCMR will be accepting proposals for projects designed to help maintain and enhance Minnesota's environment and natural resources.

Applications must be received at the LCMR office or postmarked by 4:30 P.M., February 23, 1996.

Open to everyone.

SENATORS: Steven Morse, CHAIR; Dennis Frederickson; Janet Johnson; Gary Laidig; Bob Lessard; Gene Merriam; James Metzen; Leonard Price.

REPRESENTATIVES: Chuck Brown; Ron Erhardt; Phyllis Kahn; Willard Munger; Dennis Ozment; James Rice; Tom Rukavina; Loren Solberg.

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Enhancing and Protecting Minnesota Resources

This publication can be made available in alternate formats, such as large print or cassette tape, upon request.

PLEASE COPY/POST/DISTRIBUTE THIS NOTICE
THE LEGISLATIVE COMMISSION ON MINNESOTA RESOURCES (LCMR)
1997 REQUEST FOR PROPOSALS (*Biennium Ending June 1999*)

The LCMR will be accepting proposals for projects designed to help maintain and enhance Minnesota's natural resources.

The Request for Proposals (RFP) is for new, innovative or accelerative natural resource projects. Proposers are asked to respond to the strategies for funding. Proposals will be evaluated according to the strategies and criteria. Although other proposals may be considered, stated strategies will receive priority.

LCMR staff will conduct proposal workshops on January 24, 1996 and January 30, 1996. See page 2 for more details.

DEADLINE FOR SUBMISSION:

Received or postmarked no later than:
4:30 PM, February 23, 1996

SUBMIT TO:

Legislative Commission on Minnesota Resources
Room 65, State Office Building
100 Constitution Avenue
St. Paul, MN 55155
(612) 296-2406
E-Mail: lcmr@commissions.leg.state.mn.us
TDD: (612)296-9896 or 1-800-657-3550
Relay: (612)297-5353 or 1-800-627-3529

PROPOSALS SENT BY FAX or E-MAIL WILL NOT BE ACCEPTED

Only proposals received by the deadline in the proper format specified in this RFP will qualify for consideration.

NUMBER OF COPIES TO SUBMIT:

Three (3) copies of proposal (two page limit as specified) and one copy of resume of Project Manager (one page limit as specified).

ELIGIBILITY:

Application open to all with demonstrated public benefit. The LCMR is an ADA/equal opportunity employer.

PROJECT IMPLEMENTATION:

Two year duration - July 1997 to June 1999.
No expenditures allowed after June 30, 1999
unless requested and approved by specific law.

TOTAL AMOUNT AVAILABLE:

\$28.5 million
estimated as of December 1995
Of the \$28.5 million available, it is intended that approximately \$8.5 million will be recommended for State and Regional Parks and Trails and a Local Initiatives Grants Program. Approximately \$20.0 million is available for additional strategy funding.

FUNDING SOURCES:

- Minnesota Future Resources Fund (MS 116P.13), estimated amount available \$14.5 million
- Minnesota Environment and Natural Resource Trust Fund (Trust Fund) (MS 116P.08), estimated amount available \$14 million
- Great Lakes Protection Account (MS 116Q.02), estimated amount available \$40,000

PROPOSAL WORKSHOP

LCMR staff will conduct informational proposal workshops for people who intend to respond to the LCMR Request for Proposals. The first workshop will be on Wednesday, January 24, 1996 from 10:00 A.M. to 1:00 P.M. The second workshop will be on Tuesday, January 30, 1996 from 1:00 P.M. to 4:00 P.M. Both workshops will be held in Room 5 of the State Office Building, 100 Constitution Ave., St. Paul, MN. It is not necessary to attend a workshop. These workshops are intended to assist proposers in the development of proposals. If you have special needs that may necessitate accommodations at the meeting, please call Lecia Churchill at (612) 296-2406.

PROPOSAL EVALUATION AND RECOMMENDATION PROCESS

The Commission will employ a variety of tools in the proposal evaluation process:

1. Strategies and criteria as presented in the RFP will be applied. LCMR staff will sort all proposals by strategy and rank them according to the criteria for use by the LCMR members during their initial selection process.
2. LCMR staff will seek additional outside review as needed to focus on improving proposals and coordination. The staff review may include seeking revisions to the proposals by which proposals may be strengthened, either technically or in terms of the range of activities included. Review may also reveal areas where increased cooperation and coordination on a proposal might be appropriate and result in a request for consideration of merger with one or more other proposals.
3. The Citizen Advisory Committee (CAC) for the Trust Fund will perform an initial review of proposals and provide the Commission with their determination as to which projects best fit the strategies and criteria in the Strategic Plan for the Trust Fund as well as the Trust Fund law.
4. The LCMR members will review all proposals received and select approximately 150 proposals to schedule for a hearing. After the initial selection of proposals for further consideration, additional information about the proposals will be requested of program managers to aid in the decisionmaking. At the hearings, program managers will be requested to appear before the Commission to explain the project and the specific project results associated with completion of the activities of the project.
5. The Commission will make its funding recommendations to the Legislature in summer of 1996. The Commission will determine which funding source is appropriate for a proposed project.
6. An additional, separate, technical peer review process will be conducted before presentation to the legislature for research proposals recommended by the Commission. An interdisciplinary peer review panel, comprised of natural resource experts from across the U.S., will review recommended projects for the adequacy of the methodology and procedures, the need for the proposed research, and qualifications of the investigators. A detailed work program will be required for these projects by or before September 1996 to be used in the peer review process. Program managers will be requested to present their proposed work program to the panel.

Finally, when acted on by the 1997 Legislature and with Commission work program approval, funds will be available for projects beginning July 1, 1997.

PROJECT FUNDING INTENTIONS

The LCMR intends to recommend money for a Local Initiatives Grants Program and for State and Metro Parks, Recreation Areas and Trails.

■ **LOCAL INITIATIVES GRANTS PROGRAM:** The LCMR intends to recommend approximately \$2.5 million for a matching grants program in the Department of Natural Resources (DNR) for local initiatives for the following types of projects: local parks and trails; natural or scenic areas; community environmental partnerships, and the Conservation Partners Program (for enhancement, research, surveys and for related education on fish, wildlife, and native plant habitats). This is intended to simplify and streamline the application process for local initiatives of this nature. It is anticipated that application for these funds from the DNR would begin in the spring of 1997.

■ **STATE AND METRO PARKS, RECREATION AREA AND TRAILS:** The LCMR intends to recommend approximately \$6.0 million after review and evaluation of State and Metro regional park, recreation area and trail needs for acceleration of acquisition, development, rehabilitation and enhancement as described in MS 116P.02, Subd. 5 (includes in the definition of natural resources, the state recreation system and the metro regional recreation system).

STRATEGIES FOR FUNDING

■ **PRIORITY:** All strategies are priorities for funding. The order does not reflect any other prioritization. Although other proposals may be considered, stated strategies will receive priority.

■ **FUNDING SOURCE:** The strategies apply to all three funding sources. Proposers are requested to respond to a strategy not a funding source.

■ **REINVESTMENT IN MINNESOTA :** RIM related activities may be recommended for funding by the LCMR under strategies labeled as: b,c,i, j,k,l,m,n,o, and p. The funding strategy will depend on the activity proposed.

■ RESPOND TO ONE, OR PART OF ONE, OF THE FOLLOWING STRATEGIES:

A. **HISTORIC SITES:** Protect, enhance, reuse or interpret historic sites.

B. **WATER QUALITY:** Improve and protect water quality on a watershed(s) basis through research and implementation of processes to reduce nonpoint source pollution.

C. **AGRICULTURAL PRACTICES:** Accelerate use of farming practices that enhance wildlife habitat and provide protection of the environment and human health through research, implementation or analysis of improved management techniques.

D. **POLLUTION PREVENTION:** Develop multi-jurisdictional collaborative, nontoxic training efforts to reduce toxic pollution due to fire or other hazardous catastrophes.

E. **IMPACTS ON NATURAL RESOURCES:** Evaluate, develop, and analyze urbanization impacts on Minnesota's natural resources and implement strategies to mitigate urbanization impacts on natural resources through the year 2015.

F. **DECISIONMAKING TOOLS:** Facilitate natural resource decisionmaking through utilization of Geographic Information Systems (GIS), comparative risk assessment or economic and externality analyses.

G. **PUBLIC ACCESS TO NATURAL RESOURCE DATA:** Design, develop, or implement systems to provide free citizen Internet access to state agency natural resource information

H. SUSTAINABLE DEVELOPMENT ACTIVITIES: Advance the use of sustainable development incentives and practices including, but not limited to, the use of renewable energy

I. ENVIRONMENTAL EDUCATION: Accelerate the implementation of environmental education activities consistent with the Greenprint, Statewide Plan for Environmental Education in Minnesota. This includes hunting and sportfishing activities. The priority is for implementation of noncapitol programmatic activities carried out through partnerships.

J. BENCHMARKS AND INDICATORS: Create benchmarks, including biological indicators, for key natural resources to permit effective monitoring and assessment of environmental trends.

K. NATIVE FISH SPECIES: Research and development to enhance native fish and mollusk populations in their natural communities. Expand ecosystem knowledge and classification to guide enhancement.

L. LAND ACQUISITION IN HIGH GROWTH AREAS: Using the body of natural resource information already available for protection of natural resources, acquire land, or an interest in land, to mitigate the impacts of urbanization on biodiversity, wildlife and other natural resources in projected high growth areas, or develop plans to create a fund for such land acquisition.

M. CRITICAL LANDS OR HABITATS: Acquire, protect and enhance critical habitats, such as wetlands, native prairies, unique and or sensitive areas, scenic bluffs, sportfishing habitat and aquatic resources, and old-growth forests. Public water access is included.

N. WILDLIFE OR TRAIL CORRIDORS: Acquire, develop or establish corridor connections for wildlife or trails between existing public natural areas in order to protect or enhance biodiversity.

O. NATIVE SPECIES PLANTING: Expand rural and urban revegetation with native species consistent with underlying natural ecosystems. This strategy includes the demonstration of planting and protection of native species on private and public lands.

P. EXOTIC SPECIES: Research and demonstrate ecologically sound methods to control or eradicate exotic species of plants or animals that are or may become a threat to the environment.

FORMAT INFORMATION

1. REQUIRED DOCUMENTATION:

Two documents are required: A. the PROPOSAL (3 copies) and B. the RESUME (one copy) of the Project Manager. Additional documentation is required if you have cooperators (team members).

2. PROPOSAL FORMAT:

A. PROPOSAL - Send 3 copies of proposal (maximum of two 8 1/2 x 11 sheets - single sided).

The proposal must be in the format on the following page and is limited to two single sided pages.

Minimum font-type size is 10 (this page is typeset on 10 points).

B. The proposal format is designed to provide concise information. It begins with a brief project summary and statement of results, followed by an outline of specific project results associated with completion of the activities of the project.

C. The proposal must be placed into a larger context. (1) Significance III.A. - Explain the significance of the project related to the issue and other work in this area. (2) Strategy III.B. - Indicate which strategy the proposal is addressing. Simply type in the letter of the strategy. Do not repeat the strategy. e.g., A,B,C etc. (3) Time III.C. - If the project exceeds two years, explain the additional time and funding requirements and how it is intended that the project will be completed. (4) Budget History III.D. - Describe the relationship of this project to other work funded currently or in the past. Who else has funded similar work and at what budget level during the previous five years?

3. COOPERATORS:

Partnerships and collaboration are encouraged. If the project has cooperators, (team members working on the project) list on the proposals as indicated and provide documentation of the partnership in a letter from the cooperator(s) indicating their level of involvement in the project.

4. ELIGIBLE EXPENSES:

The LCMR funding is not to supplant or provide existing operation and maintenance funding. See the list of eligible and ineligible expenses on pages 8 and 9 of the RFP.

5. ELIGIBILITY:

Open to all. However, the project must demonstrate clear public benefits and resulting financial benefits results must also accrue to the public.

6. RESUME:

Provide a resume of the Project Manager. Limit to one page--8 1/2 x 11 inch standard size paper, single sided. Staple to one copy of your proposal. Fill out the title and contact name, affiliation, and phone number exactly as it appears on the proposal in the upper left-hand corner. Make sure the resume demonstrates a connection to the proposal.

7. PROPOSAL DEVELOPMENT:

LCMR staff is available to assist proposers and answer any questions or review draft proposals. The format is designed to be simple and does NOT require professional grantsmaking assistance or lobbying efforts.

LCMR staff will conduct two informational proposal workshops for people who intend to respond to the LCMR Request for Proposals. The first workshop will be on Wednesday, January 24, 1996 from 10:00 A.M. to 1:00 P.M. The second workshop will be on Tuesday, January 30, 1996 from 1:00 P.M. to 4:00 P.M. Both workshops will be held in Room 5, State Office Building, 100 Constitution Ave., St. Paul, MN. It is not necessary to attend a workshop. These workshops are intended to assist proposers in the development of proposals.

PROPOSAL FORMAT - Maximum length two 8 1/2 x 11 sheets - single sided.

The proposal is composed of the following sections: *(Italics are instructions and not to be repeated in the proposal.)*

LCMR Proposal 1997 *(repeat this in upper left hand corner)*

Title: *(limit 8 words)*

Project Manager: *(note list team members under cooperators)*

Affiliation:

Mailing Address:

Telephone Number: *(be sure to provide a reliable contact name and phone number in case of questions)*

E-Mail:

Fax:

Total Biennial Project Budget: *(requested)*

\$LCMR:

\$Match: if applicable *(nonstate cash only; include source)*

\$Total:

I. PROJECT SUMMARY AND RESULTS:

Provide a clear, concise summary of the proposed project and its results. The summary is limited to 30 words and must be a free standing summation of the project. It is important that the summary be able to stand on its own as a description of the proposal because it will be used with the project title as the project description during the proposal review.

II. OUTLINE OF PROJECT RESULTS:

Provide an outline of the specific project results associated with completion of the activities of the project. Be specific. For example, indicate miles of trail acquired and developed, acres impacted, or number of students reached.

III. CONTEXT: *(breakdown context into A, B, C, and D as requested)*

- A. Significance: *Explain the significance of the project in terms of the current state of the issue, other recent work in this subject area, and how your project will enhance the existing knowledge base or situation.*
- B. Strategy: *Indicate the letter of the strategy to which the proposal is responding. Do not repeat the strategy. Do not attempt to rationalize just indicate the strategy e.g., f.*
- C. Time: *If the proposed project will exceed two years, explain the additional time and funding requirements.*
- D. Budget History: *Provide program and budget history. Describe the relationship of this project to other work funded currently or in the past by the public or private sector, not just LCMR funding. For 1992-1996:*
 - A. LCMR Budget History:\$
 - B. Non-LCMR Budget History: *(include the source)*\$
 - C. TOTAL:\$

IV. COOPERATION: *If the project has cooperators (project team), list names and agency/entity affiliate (see required attachment)*

V. LOCATION: Ecological classification location _____ *Which ecological classification location will the project take place in? Use the map on page 9. For more information call LCMR.*

CRITERIA FOR EVALUATION OF PROPOSALS

For proposals submitted for the biennium beginning July 1, 1997.

A. Project Managers and cooperators must be accountable and able to complete project objectives.

B. Trust Fund expenditures must conform to the Trust Fund law (MS 116P.08).

C. The following criteria will be applied as one part of the proposal evaluation and recommendation process. The total potential score for each criterion is written in parentheses. All points will be awarded on a sliding scale.

1. **SIGNIFICANCE** - Addresses significant environmental or natural resource issues. (9)
2. **ADDRESSES STRATEGY** - (9)
3. **LEVERAGING** - Leverages funding (nonstate cash commitment). The cash match must be money to be spent directly on the project during the time of the project (July 1, 1997-June 30, 1999). Previously spent money will not qualify as leveraging. (9)
4. **INNOVATION** - Innovative approach. (9)
5. **COORDINATION** - Demonstrated partnerships and a coordinated approach. (7)
6. **SUSTAINABLE DEVELOPMENT** - Addresses underlying causes, stresses prevention of environmental degradation and emphasizes wise stewardship. (7)
7. **RESULTS** - Provides clear demonstrated results. (7)
8. **INFORMATION BASE** - Provides a significant useful addition to the information base. (5)
9. **DISSEMINATION** - Provides data, reports, materials, etc. to other potential users in a readily useable form. (5)
10. **ACCELERATION** - Accelerates activities addressing a strategy, does not supplant existing funding. (5)
11. **STATEWIDE SIGNIFICANCE** - (5)

ADDITIONAL PROPOSAL INFORMATION

A synopsis of the LCMR proposal review timeline is listed in chronological order on page 10 of the RFP. Please note some additional details:

1. **University of Minnesota:** If the Project Manager of the proposal is affiliated with the University of Minnesota, the Office of Research and Technology Transfer Administration (ORTTA) requirements must be fulfilled by submitting the proposal with a BA-23 through that office.

2. **Eligible and Noneligible Expenses:**

- A. **Eligible Costs**

Eligible costs shall be those costs directly incurred by the Recipient in the actual conduct of the Project. Eligible costs shall be based upon the approved work program and list of deliverables and can include the following types of costs provided they are solely related to and necessary for the completion of the Project:

1. Expenditures incurred only after the effective date in the approved work program. No expenditures will be allowed after June 30, 1999 unless approved by specific law.
2. Advertising costs solely for recruitment of personnel, solicitation of bids, or other purposes specifically provided for in the list of deliverables;
3. Capital expenditures for facilities, equipment, and other capital assets; For equipment expenditures of \$3000 per unit or more: It must be clear if there are to be such expenditures, why they are necessary, and what they will be used for after the project is completed.
4. Communication costs incurred for telephone calls and postage;
5. Materials and supplies;
6. Printing and reproduction costs necessary for contract administration; publication costs of reports relating to contract accomplishments;
7. Transportation and travel expenses such as freight relating to goods purchased for the Project, and the lodging, meals, and transportation of personnel involved in the Project in the same manner and in no greater amount than provided for in the current "Commissioner's Plan" promulgated by the Commissioner of Employee Relations.
8. Wages and expenses of salaried Recipient employees;
9. Fringe benefit costs of Recipient's employees;
10. Professional services unless specified in the work program.
11. Education program expenses such as conferences, seminars, books, materials, and supplies;
12. Public utilities such as water, sewage, and electricity;
13. Maintenance and repairs incurred for upkeep of property used directly in the Project which keeps it in an efficient operation condition (for the Project period);
14. Administrative expenses such as accounting and budgeting.

- B. **Noneligible Costs:**

Noneligible costs for reimbursement means all costs not defined as eligible costs, including but not limited to the following:

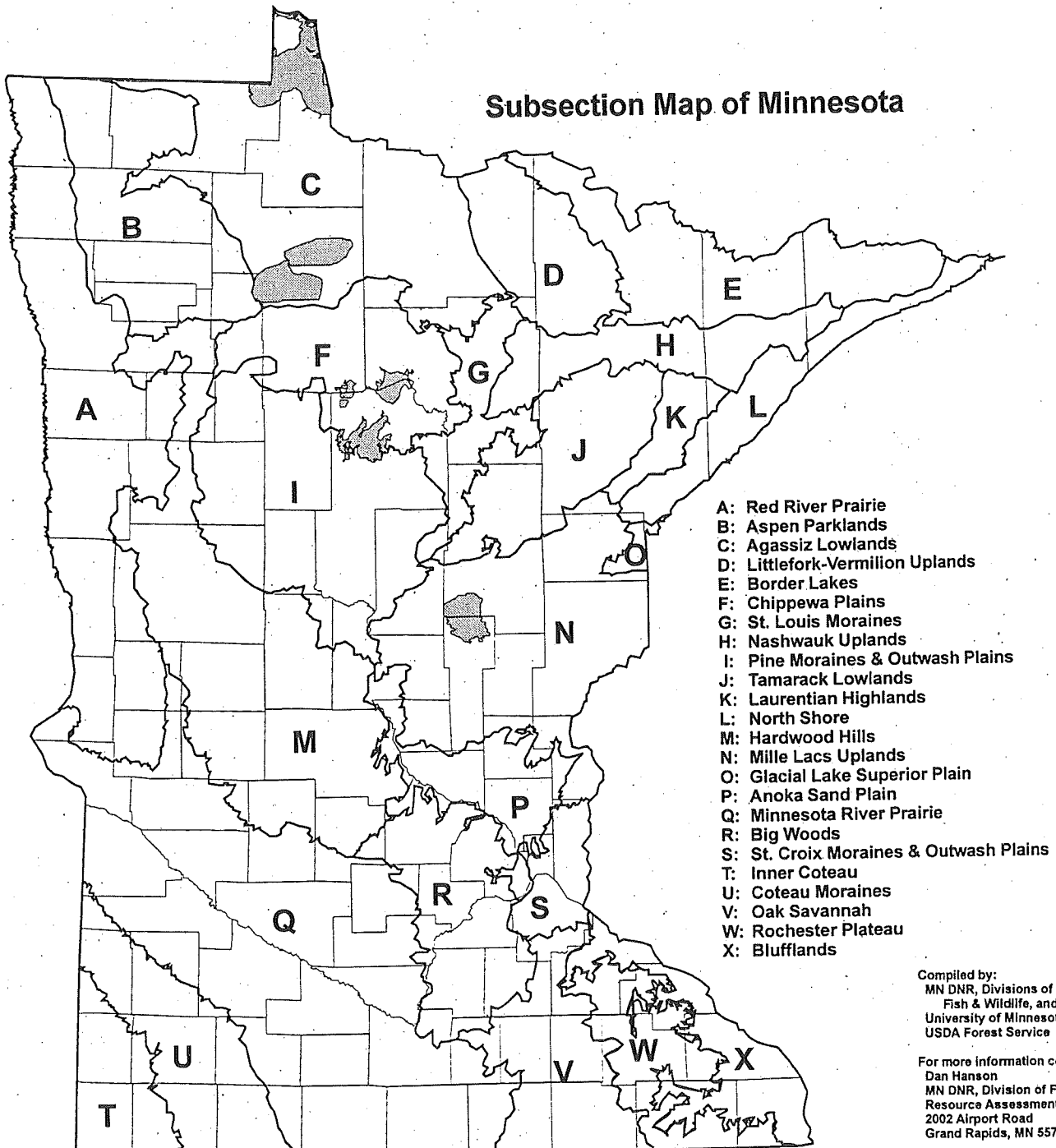
1. Indirect costs;
2. For State employees; Salaries and benefits unless in the unclassified service or expressly approved in the workprogram;
3. Any expenditures before July 1, 1997, or work program approval, whichever is the latter;
4. Fund raising;
5. Taxes, except sales tax on goods and services;
6. Insurance, except title insurance;
7. Attorney fees, except for acquisition and clearing title to land;
8. Loans, grants, subsidies to persons or entities for nonpublic development;
9. Bad debts or contingency funds;
10. Interest;
11. Lobbyists;
12. Political contributions.

3. Match Commitment and Expenditure:

Match commitments and expenditures must be only for the time period of the project (July 1, 1997 to June 30, 1999) and in the form of nonstate cash. The expenditure of match dollars cannot begin before the project starts or after its completion. A firm commitment of the match must be received for the project to begin and must be committed by January 1, 1998 or the project will cancel.

4. Data Compatibility Requirements:

The LCMR will require that data collected with project funds that have value beyond the specific project and geographic data, data that link information to locations on the land, conform to State data compatibility requirements and be delivered to the Land Management Information Center (LMIC) as a part of the project cost. For more information on the requirements contact Chris Cialek at LMIC (612) 297-2488 (voice), (612) 296-1212 (fax), or chris.cialek@mnplan.state.mn.us (E-mail).



BACKGROUND AND PROPOSAL REVIEW PROCESS - JULY 1995-JUNE 1999

Summer 1995 RESOURCE EVALUATION: Legislative Commission on Minnesota Resources (LCMR) summer factfinding and natural resource evaluation.

Summer and Fall 1995 STRATEGIC PLAN: Review and Revision of Strategic Plan for Trust Fund by Citizen Advisory Committee.

JULY 1, 1995 PROJECT COMPLETION: Projects conducted July 1, 1993- July 1, 1995, completed and final reports due. Project evaluation.

October 1995 PUBLIC FORUMS: Public Natural Resource Forums held in North Mankato, Grand Rapids, and St. Paul. Over 180 citizens attended and an additional 90 written comments were received commenting on Trust Fund Expenditure Priorities and Process for Funding. The Resource Forums also provided input on the revision to the Strategic Plan to guide expenditures and review of Trust Fund projects and the Reinvest in Minnesota (RIM) program.

Fall 1995 STRATEGIC PLAN: Adoption of comprehensive Strategic Plan for the Trust Fund, Future Resources Fund, and Great Lakes Protection Account by the Legislative Commission on Minnesota Resources.

December 1995 REQUEST FOR PROPOSAL: Request for Proposal (RFP) for 1997-99 biennium funding issued by Legislative Commission on Minnesota Resources for the Minnesota Future Resources Fund (MS 116P.13), Trust Fund (MS 116P.08), and Great Lakes Protection Account (MS 116Q.02); one RFP for all funding sources.

January 24 & 30 1996 PROPOSAL DEVELOPMENT ASSISTANCE: LCMR staff hold workshop sessions for assistance with proposals.

February 23, 1996 PROPOSAL DUE: Proposals submitted to the LCMR.

Spring 1996 REQUEST FOR PROPOSAL INFORMATION: Additional proposal information to be submitted for projects selected for further consideration.

Spring and Summer 1996 PROPOSAL REVIEW: Citizen Advisory Committee for the Trust Fund reviews proposals and recommends those which best fit the Trust Fund. LCMR members select projects for further review. Hearings held by LCMR on selected proposals.

Summer 1996 ALLOCATIONS: LCMR adoption of project recommendations (allocations) for submission to the 1997 Legislature for funding beginning July 1, 1997

Fall 1996 WORKPROGRAMS: Submission of workprograms to the LCMR for recommended projects prior to consideration by the 1997 legislature.

Fall 1996 PEER REVIEW: Peer Review of Research Proposals recommended by LCMR prior to consideration by the 1997 legislature.

January 15, 1997 Biennial Report due to the Legislature from LCMR.

January - May 1997 RECOMMENDATIONS SUBMITTED TO LEGISLATURE: Consideration of LCMR recommendations for appropriation by the Minnesota Legislature.

June 1997 WORKPROGRAMS: LCMR workprogram review and approval of project recommendations as appropriated by the Legislature.

July 1997-June 1999: PROJECT START: Project implementation begins July 1, 1997 (final report due July 1, 1999).

Legislative Commission on
Minnesota Resources (LCMR)
Room 65, State Office Building
100 Constitution Avenue
St. Paul, MN 55155

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FROM THE DIRECTOR

John R. Velin

The LCMR completed a summer and fall of fact-finding, regional forums and Citizen Advisory Committee (CAC) deliberations with a Strategic Planning seminar in early November. Preparatory for that meeting, the CAC worked hard under the very capable leadership of Chair Nancy Gibson. Their product, a draft strategic plan for the Trust Fund, has already had a significant effect on the LCMR members. It provides the shape and thrust of the overall strategic plan and Request for Proposals (RFP). The RFP is detailed in the rest of this newsletter. Congratulations and thanks to the CAC. The LCMR also spent considerable time and effort crafting the plan. The result is the plan and especially the RFP, which is the substance of this newsletter.

Regardless of what happens with the sunset law passed in 1995, the LCMR will complete this round of proposals and proposal review. The spirit and intent of LCMR is to provide access to EVERYONE who has ideas for innovation and acceleration in environment and natural resource affairs, tempered by the priority strategies. This includes local governments, non profits and private sector ideas that will have a distinctive public benefit. No grantmaking or lobbying assistance is necessary for success. The LCMR staff will assist all proposers. The LCMR will serve the regular standing committees of the legislature by spending the time and effort necessary to create a thoughtful Strategic Plan and to entertain and examine proposals for funding.

Best Wishes to all for the holiday season and a prosperous new year.

Subd. 8		LAND	975,000
8(a)	TF	BASE MAPS FOR 1990's - Continuation	710,000
8(b)		RURAL COUNTY USE OF NAPP FLIGHT	90,000
8(c)		RECREATIONAL RESOURCE PLANNING IN THE METRO MISSISSIPPI CORRIDOR	175,000
Subd. 9		MINERALS	
R 9(a)		MITIGATING CONCRETE AGGREGATE PROBLEMS IN MINNESOTA	179,000
Subd. 10		RECREATION	
		(Subd. 10 items (a) through (k) and Subd. 7 (i) are Trust Fund Acceleration which total 10,948,000)	20,134,000
10(a)	TF	STATE PARK BETTERMENT	3,000,000
1994	TF	STATE PARK BETTERMENT	650,000
10(b)	TF	AMERICANS WITH DISABILITIES ACT: RETROFITTING REGIONAL PARKS	220,000
10(c)	TF	TRAIL LINKAGES, METROPOLITAN REGIONAL NETWORK	2,327,000
10(d)	TF	INITIATE GATEWAY SEGMENT OF THE WILLARD MUNGER STATE TRAIL INTO DOWNTOWN ST PAUL	254,000
10(e)	TF	BIRCH LAKE REGIONAL BIKEWAY/WALKWAY	450,000
10(f)	TF	CEDAR LAKE TRAIL DEVELOPMENT	610,000
10(g)	TF	STATE TRAIL DEVELOPMENT - Continuation	2,327,000
10(h)	TF	SHINGLE CREEK TRAIL IMPROVEMENTS	130,000
10(i)	TF	LILYDALE/HARRIET ISLAND REGIONAL PARK TRAIL	246,000
10(j)	TF	COMO PARK EAST LAKESHORE RECLAMATION	163,000
10(k)	TF	ACQUISITION OF PALACE RESTAURANT SITE ON MISSISSIPPI RIVER	325,000
10(l)	TF	ACCESS TO LAKES AND RIVERS-Continuation	1,000,000
10(m)	TF	SAINT LOUIS RIVER LAND ACQUISITION	1,000,000
10(n)		LAKE MINNETONKA WATER ACCESS ACQUISITION	944,000
1994		LAKE MINNETONKA WATER ACCESS ACQUISITION	154,000
1994	TF	LAKE MINNETONKA WATER ACCESS ACQUISITION	696,000
10(o)		LAKE SUPERIOR SAFE HARBORS- Continuation	1,000,000
1994		SILVER BAY HARBOR	1,000,000
10(p)		COOPERATIVE TRAILS GRANT PROGRAM	800,000
10(q)		AGASSIZ RECREATIONAL TRAILS (A.R.T.)	650,000
10(r)		MESABI TRAIL ACQUISITION, PLANNING AND DEVELOPMENT	700,000
10(s)		RECREATIONAL PROGRAMMING: INCLUSIVENESS FOR PERSONS WITH DISABILITIES	160,000
10(t)		ENHANCED RECREATIONAL OPPORTUNITIES FOR SOUTHEAST ASIAN ETHNIC COMMUNITIES	300,000
10(u)		URBAN COMMUNITY GARDENING PROGRAM - Continuation	110,000
10(v)		NATIONAL REGISTER GRANTS PROGRAM	165,000
10(w)		HISTORICAL RESEARCH AND PLANNING FOR TRAVERSE DES SIOUX	68,000
10(x)		PENINSULA POINT TWO RIVERS HISTORICAL PARK	435,000
1994		LOCAL RECREATION GRANTS	250,000
Subd. 11		WATER	4,032,000
R 11(a)	TF	MINNESOTA RIVER IMPLEMENTATION-Continuation	1,100,000
11(b)		LOCAL RIVER PLANNING - Continuation	480,000
R 11(c)	TF	MERCURY REDUCTION IN FISH - Continuation	200,000
R 11(d)		STREAM FLOW PROTECTION	280,000
R 11(e)		SOUTH CENTRAL MINNESOTA GROUNDWATER CONTAMINATION SUSCEPTIBILITY - Continuation	290,000
R 11(f)		WHITE BEAR LAKE LEVELS FEASIBILITY STUDY (1994 reduced from 228,000 to 175,000)	175,000
11(g)	TF	COUNTY GEOLOGIC ATLASES AND REGIONAL HYDROGEOLOGIC ASSESSMENTS - Continuation	850,000
11(h)		SEPTIC SYSTEM REPLACEMENT FOR WATER RELATED TOURISM BUSINESSES	500,000
R 11(i)		OPTICAL BRIGHTENERS: INDICATORS OF SEWAGE CONTAMINATION OF GROUNDWATERS	157,000
Subd. 12		WILDLIFE, FISHERIES, PLANTS	7,406,000
12(a)	TF	RIM CRITICAL HABITAT MATCH, SCIENTIFIC & NATURAL AREAS, WILDLIFE & PRAIRIE ACQ. - Continuation	4,000,000
12(b)	TF	RIM WILDLIFE HABITAT STEWARDSHIP AND PROPERTY DEVELOPMENT	900,000
12(c)	TF	RIM STATEWIDE FISHERIES HABITAT DEVELOPMENT	687,000
12(d)		ESTABLISHMENT OF CRITICAL WINTER HABITAT AREAS ON INTENSIVELY FARMED LAND	100,000
12(e)		WILD TURKEY HUNTING SAFETY/EDUCATION	39,000
12(f)		NIEMACKL WATERSHED RESTORATION	500,000
12(g)		DEER CRITICAL HABITAT SURVEY - KOOCHICHING COUNTY	75,000
12(h)	TF	RIM-FISHERIES ACQUISITION FOR ANGLER ACCESS AND HABITAT DEVELOPMENT	300,000
12(i)		ESTABLISHING GOOSE NESTING SITES IN N. MINNESOTA 21,000 (cancelled by program mgr)	
12(j)		PRAIRIE ECOSYSTEM RESTORATION IN THE MINNEAPOLIS PARK SYSTEM	60,000
12(k)		THEODORE WIRTH PARK TAMARACK BOG PRESERVATION PROJECT	40,000
R 12(l)	TF	BIOLOGICAL CONTROL OF EURASIAN WATERMILFOIL, AND PURPLE LOOSESTRIPE - Continuation	400,000
R 12(m)		REPLACEMENT OF EURASIAN WATERMILFOIL WITH NATIVE MINNESOTA PLANTS	40,000
R 12(n)		INTEGRATED CONTROL OF PURPLE LOOSESTRIPE	90,000
R 12(o)	TF	ECOLOGICAL IMPACTS OF RELEASING GENETICALLY ENGINEERED FISHES	175,000

ML 1993 Chapter 172 Sec. 14 Minnesota Resources

Non-Research Projects

Summaries of the activities completed for projects which do not have research components are included in this section--tab (2).
Research project summaries are under tab (3).

Subd. 3, Agriculture: Page 1

3(c)	INCREASING UTILIZATION OF FEDERAL COST SHARE FEEDLOT FUNDS	480,000
3(e)	TF (RIM) CONSERVATION RESERVE EASEMENTS - Continuation	823,000

Subd. 4, Energy, Page 1

4(a)	OOO REDUCING ENERGY AND CO 2	230,000
4(b)	PHOTOVOLTAIC DEMONSTRATION PROJECT	230,000
4(d)	OOO THE BUS, BIKE OR CAR POOL (B-BOP) CHALLENGE	150,000
4(e)	OOO TREE AND GRASS PRODUCTION FOR ETHANOL	380,000

Subd. 5, Forestry: Page 3

5(a)	DEVELOPMENT OF TREE SEED ORCHARD COMPLEX	80,000
5(b)	COMO PARK REPLANTING PROGRAM	93,000
5(c)	REFORESTATION IN RAMSEY COUNTY PARKS AND OPEN SPACE	50,000

Subd. 6, General: Page 4

6(a)	TF MINNESOTA COUNTY BIOLOGICAL SURVEY - Continuation	900,000
6(d)	MISSISSIPPI HEADWATERS RIVER INQUIRY AND EDUCATION PROJECT	75,000
6(e)	ANADROMOUS FISH MONITORING	137,000
6(f)	L & WCF ADMINISTRATION - Continuation	80,000

Subd. 7, Information/Education: Page 5

7(b)	DEVELOPING MULTI-USE URBAN GREEN SPACE	220,000
7(c)	K-12 PRAIRIE WETLAND FIELD STUDY PROGRAM - ECOLOGY BUS	270,000
7(d)	TF THE ON-LINE MUSEUM: COMPUTER AND INTERACTIVE VIDEO	260,000
7(e)	ENVIRONMENTAL EDUCATION OUTREACH PROGRAM 215,000 (Cancelled - did not meet match requirement)	
7(f)	SUMMER YOUTH HISTORY PROGRAM	100,000
7(g)	THE ECOLOGY OF MINNESOTA - BOOK	51,000
7(h)	TF GREEN STREET: AN URBAN ENVIRONMENTAL AWARENESS PROJECT	550,000
7(i)	TF MINNEHAHA PARK ENVIRONMENTAL INTERPRETIVE CENTER	300,000
7(j)	NICOLLET CONSERVATION CLUB SWAN LAKE INTERPRETIVE ROOM	18,000
7(k)	PROJECT CITY CAMP: EXPERIENTIAL URBAN ENVIRONMENTAL EDUCATION	130,000
7(l)	GRANITE QUARRY PARK AND INTERPRETIVE CENTER PLANNING	50,000
7(m)	EXPANDED CROSBY FARM PARK NATURE PROGRAM - Continuation	91,000
7(n)	MULTIPLE-USE FOREST MANAGEMENT LEARNING KIT	15,000
7(o)	AN OUTDOOR CLASSROOM TO IMPROVE RURAL ENVIRONMENTAL EDUCATION	60,000

Subd. 8, Land: Page 8

8(a)	TF BASE MAPS FOR 1990's - Continuation	710,000
8(b)	RURAL COUNTY USE OF NAPP FLIGHT	90,000
8(c)	RECREATIONAL RESOURCE PLANNING IN THE METRO MISSISSIPPI CORRIDOR	175,000

Subd. 10, Recreation: Page 9

10(a)	TF STATE PARK BETTERMENT	3,000,000
10(b)	TF AMERICANS WITH DISABILITIES ACT: RETROFITTING REGIONAL PARKS	220,000
10(c)	TF TRAIL LINKAGES, METROPOLITAN REGIONAL NETWORK	2,327,000
10(d)	TF INITIATE GATEWAY SEGMENT OF THE WILLARD MUNGER STATE TRAIL INTO DOWNTOWN ST PAUL	254,000
10(e)	TF BIRCH LAKE REGIONAL BIKEWAY/WALKWAY	450,000
10(f)	TF CEDAR LAKE TRAIL DEVELOPMENT	610,000
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10(k)	TF ACQUISITION OF PALACE RESTAURANT SITE ON MISSISSIPPI RIVER	325,000
10(l)	TF ACCESS TO LAKES AND RIVERS-Continuation	1,000,000
10(m)	TF SAINT LOUIS RIVER LAND ACQUISITION	1,000,000

10(n)	LAKE MINNETONKA WATER ACCESS ACQUISITION	944,000
10(o)	LAKE SUPERIOR SAFE HARBORS- Continuation	1,000,000
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10(u)	URBAN COMMUNITY GARDENING PROGRAM - Continuation	110,000
10(v)	NATIONAL REGISTER GRANTS PROGRAM	165,000
10(w)	HISTORICAL RESEARCH AND PLANNING FOR TRAVERSE DES SIOUX	68,000
10(x)	PENINSULA POINT TWO RIVERS HISTORICAL PARK	435,000

Subd. 11, Water: Page 16

11(b)	LOCAL RIVER PLANNING - Continuation	480,000
11(g)	TF COUNTY GEOLOGIC ATLASES AND REGIONAL HYDROGEOLOGIC ASSESSMENTS - Continuation	850,000
11(h)	SEPTIC SYSTEM REPLACEMENT FOR WATER RELATED TOURISM BUSINESSES	500,000

Subd. 12, Wildlife, Fisheries, Plants: Page 17

12(a)	TF RIM CRITICAL HABITAT MATCH, SCIENTIFIC & NATURAL AREAS, WILDLIFE & PRAIRIE ACQ. - Continuati	4,000,000
12(b)	TF RIM WILDLIFE HABITAT STEWARDSHIP AND PROPERTY DEVELOPMENT	900,000
12(c)	TF RIM STATEWIDE FISHERIES HABITAT DEVELOPMENT	687,000
12(d)	ESTABLISHMENT OF CRITICAL WINTER HABITAT AREAS ON INTENSIVELY FARMED LAND	100,000
12(e)	WILD TURKEY HUNTING SAFETY/EDUCATION	39,000
12(f)	NIEMACKL WATERSHED RESTORATION	500,000
12(g)	DEER CRITICAL HABITAT SURVEY - KOOSKICHING COUNTY	75,000
12(h)	TF RIM-FISHERIES ACQUISITION FOR ANGLER ACCESS AND HABITAT DEVELOPMENT	300,000
12(i)	ESTABLISHING GOOSE NESTING SITES IN N. MINNESOTA 21,000 (cancelled by program mgr)	
12(j)	PRAIRIE ECOSYSTEM RESTORATION IN THE MINNEAPOLIS PARK SYSTEM	60,000
12(k)	THEODORE WIRTH PARK TAMARACK BOG PRESERVATION PROJECT	40,000

TF Funded from the Environment and Natural Resources Trust Fund

OOC Funded from Oil Overcharge Money

Balance funded from Minnesota Future Resources Fund

1993-95 Biennium

Legislative Commission on Minnesota Resources

Projects funded by:

**Environment and Natural Resources Trust Fund
Minnesota Future Resources Fund
Oil Overcharge Money**

Subdivision 3, Agriculture:

Increasing Utilization of Federal Cost Share Feedlot Funds

(Laws 1993, Ch. 172, Sec. 14, Subd. 3c)

Gerald Heil

MN Department of Agriculture

(612) 296-1486

\$480,000 Appropriation - Future Resources Fund

Technical assistance was provided to 4 target areas to develop animal waste control facility (AWCF) designs to rehabilitate feedlots with water quality concerns. The designs met USDA-NRCS standards required to qualify for federal cost-share funds.

- Livestock concentrations, soil type and geologic conditions, water quality concerns, and the numbers of current and anticipated cost share requests were the criteria established to identify target areas for the technical assistance.
- Focus group findings, within the project's "Feedlot Waste Management Study - Final Report," were used to develop guidelines and ordinances for the feedlot designs.
- 107 pollution abatement system designs were completed and approved. In addition, the "Feedlot and Manure Management Directory" was produced.
- This project was extended for completion until 12/31/96.

Reinvest in Minnesota Conservation Reserve Easements

(Laws 1993, Ch. 172, Sec. 14, Subd. 3e)

David H. Behm and Marybeth Block

Board of Water and Soil Resources

(612)296-0880 or (612) 297-7965

\$823,000 Appropriation -

(\$500,000 Trust Fund, \$323,000 Future Resources Fund)

This project acquired perpetual conservation easements on certain marginal lands to protect and improve water quality, control erosion and sedimentation, and enhanced fish and wildlife habitat.

- 14 conservation reserve easements were acquired.
- 943.7 acres of riparian cropland was returned to a natural floodplain ecosystem (98 percent within the Minnesota River Basin, 2 percent within the Cannon River Basin).
- Returning the 14 easement areas to the native vegetative and hydrologic state has significantly reduced inputs of sediment, nutrients, and pesticides to surface waters, and provided habitat to fish and wildlife.

Subdivision 4, Energy:

Reducing Energy and CO2

(Laws 1993, Ch. 172, Sec. 14, Subd. 4a)

Sheldon Strom

Center for Energy and the Urban Environment

(612) 348-4669

\$230,000 Appropriation - Oil Overcharge Money

This project developed and implemented cost-effective strategies which reduce energy use in the transportation, commercial-industrial-institutional (CII), and residential sectors, thereby reducing emissions of carbon dioxide (CO₂) and other air emissions, dependence on oil imports, and the cost of energy. A database of current and projected Minnesota energy use and associated air emissions was developed. Cost-effective energy efficient strategies were developed which are targeted at energy uses that are most significant and amenable to reduction. An "Action Plan for Minnesota" was produced providing a clear direction for improving energy and economic efficiency.

- Minnesota's greenhouse gas emissions were projected to increase by over 39 percent from 1990 to 2010.
- Aggressive implementation of strategies presented in the Action Plan could produce over 36 million metric tons in potential CO₂ equivalent savings and create between 8,200 and 15,500 additional permanent jobs in Minnesota by 2010.
- Implementation efforts were underway for the Action Plan strategies, within local and state governments across the state, as of June 30, 1995.

Photovoltaic Demonstration Project

(Laws 1993, Ch. 172, Sec. 14, Subd. 4b)

Patrick F. Quinn

Saint Paul Public Schools

(612) 293-5140

\$230,000 Appropriation - Future Resources Fund

This project designed and constructed a solar energy demonstration system at Battle Creek Environmental Magnet School in St. Paul that has supplemented the existing public utility by converting sunlight directly into electricity using photovoltaic technology. The project has provided an educational tool for the Environmental Magnet Program of Battle Creek Elementary School.

- The system has been producing approximately 11.5 kilowatts or 5 percent of the school's annual electrical consumption.
- The information that has been, and continues to be, gathered from the system's operation has been made available to the public.

The Bus, Bike, or Carpool (B-BOP) Challenge

(Laws 1993, Ch. 172, Sec. 14, Subd. 4d)

Sheldon Strom

Center for Energy and Environment

(612) 348-4669

\$150,000 Appropriation - Oil Overcharge Money

The Center for Energy and Environment evaluated the B-BOP Challenge program to accelerate a strategy to promote a Transportation Demand Management (TDM) program. The B-BOP Challenge is an employer-based, trial of service, TDM program designed to determine whether elements of the B-BOP strategy should be incorporated into the programs of the MCTO, Minnesota Rideshare, and other TDM agencies.

- 14 companies and 1,294 employees participated in the project's experiment.
- A 10 percent increase by participants in the use of alternative transportation modes appears modest due to the fact that those employees already utilizing alternative modes of transportation did not significantly increase their use.
- Results suggest that future programs should be targeted to companies where alternative mode use would relieve serious traffic and parking problems or contribute immediately to other company objectives enough to justify the cost.
- At least two agencies have adopted strategies that were part of the B-BOP Challenge. As part of its 1995 B-BOP promotion, Hennepin County challenged more than 2,500 employers to participate in a one-year competition to encourage alternative transportation mode use by employees. In 1995, Minnesota Rideshare has targeted 14 employers in the metropolitan area to participate in its own B-BOP Challenge using many of the features of CEE's program including pledge logs, prizes, and recognition events.

Tree and Grass Production for Ethanol

(Laws 1993, Ch. 172, Sec. 14, Subd. 4e)

Edward G. Wene

Agricultural Utilization Research Institute

(218) 281-7600

\$380,000 Appropriation - Oil Overcharge Money

Tree and grass materials were established in an effort to develop future ethanol and thermochemical fuels through conversions to biomass feedstock. The project achieved the following: recruited suitable sites and willing producers for the tree and grass production; trained producers and consultants in best management practices; developed low-input techniques and analyses procedures for productivity data; and, implemented a tree establishment plan.

- 3,000 acres and 23 growers were recruited for planting.
- Training was successfully conducted in site preparation, weed control, planting, and maintenance.
- 2,200 acres were planted by the extended completion date of 12-31-1996.
- The appropriation was contingent on the implementation of an agreement with a purchaser of the feedstock.

Subdivision 5, Forestry:

Development of Tree Seed Orchard Complex

(Laws 1993, Ch. 172, Sec. 14, Subd. 5a)

Lawrence K. Miller

MN Department of Natural Resources

(218) 372-3183

\$80,000 Appropriation - Future Resources Fund

A DNR-acquired farm site near Moose Lake, MN, was utilized to further the goals of the tree improvement program by producing genetically-improved tree seedlings.

- 2 seed orchards were established to eventually produce genetically-improved seed for the state nursery program: a first generation northern red oak orchard and a second generation black spruce orchard.
- The orchards have been, and will continue to be, intensively managed for efficiency and effectiveness.
- The orchards have been designed to produce seed superior in growth rate, form, wood quality, and/or pest resistance.

Como Park Replanting Program

(Laws 1993, Ch. 172, Sec. 14, Subd. 5b)

John Wirka

City of Saint Paul

(612) 292-7400

\$93,000 Appropriation - Future Resources Fund

This project implemented a plan for replanting areas in Como Park which have lost trees due to disease, age, or other causes. The additional plantings have strengthened the native plant communities in the park and improved visitors' recreational experiences.

- A project plan was prepared incorporating 35 different species of native Minnesota trees.
- 658 trees were planted throughout the park.

Reforestation in Ramsey County Parks and Open Space

(Laws 1993, Ch. 172, Sec. 14, Subd. 5c)

Larry Holmberg

Ramsey County, Parks and Recreation Department

(612) 777-0393

\$50,000 Appropriation - Future Resources Fund

This project accelerated reforestation in Ramsey County regional and county parks to replace trees lost to storm damage, drought, disease, or other causes.

- Approximately 15,500 coniferous and deciduous trees were planted within 8 separate parks.
- The mortality rate of the plantings was very low, due to proper maintenance practices and favorable rainfall.

Subdivision 6, General:

Minnesota County Biological Survey - Continuation

(Laws 1993, Ch. 172, Sec. 14, Subd. 6a)

Carmen Converse

MN Department of Natural Resources

(612) 296-9782

\$900,000 Appropriation - Environment and Natural Resources Trust Fund

The Minnesota County Biological Survey (MCBS) collected biological information on the distribution and status of rare plants, rare animals, and natural communities. The ecological data collected was entered into the Natural Heritage Information System.

- Surveys were completed in Cass, Dakota, Houston, and Winona Counties, and begun in Fillmore, Mahnomon, Olmsted, Pine, and Wabasha Counties.
- New locations of 2636 rare features were identified and recorded.
- MCBS results have been utilized for environmental review, forest and wildlife planning, urban and recreational development planning, nature preserve acquisition, and public education.
- Eight sites recommended by MCBS staff became Scientific and Natural Areas.
- Publications included: Minnesota's St. Croix River Valley and Anoka Sandplain: a guide to native habitats, and eight county maps displaying rare features.
- This was a continuation from the 1991-1993 biennium; M.L. 1991, Ch. 254, Sec. 14, Subd. 9(d). The survey continues as part of the 1995-1997 biennium; M.L. 1995, Ch. 220, Sec. 19, Subd. 7(c).

Mississippi Headwaters River Inquiry and Education Project

(Laws 1993, Ch. 172, Sec. 14, Subd. 6d)

Molly MacGregor

Mississippi Headwaters Board

(218) 547-3300

\$75,000 Appropriation - Future Resources Fund

This project assessed and investigated the natural, cultural, scenic, scientific, and recreational values of the first 400 miles of the Mississippi River. A program of management guidelines for private property owners and local land use decision makers was developed, based on geographically homogeneous regions of the Mississippi Headwaters.

- Biological species and habitat were assessed, sampled, and analyzed.
- Literature was reviewed and collected for information on archaeology and cultural history, while fisheries managers were surveyed for input regarding fish habitat, community characteristics, and management concerns.
- The River Protection Manual was produced, summarizing research, value assessments, and management guidelines, with approximately 2,000 copies in print as of June 30, 1995.

Anadromous Fish Monitoring

(Laws 1993, Ch. 172, Sec. 14, Subd. 6e)

Mark Ebbers

MN Department of Natural Resources

(612) 297-2804

\$137,000 Appropriation - Future Resources Fund

This project provided biologic monitoring to improve the management of the steelhead trout population on the north shore of Lake Superior.

- An anadromous fish monitoring device was constructed on the Knife River.

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- The trap was designed to provide information on riverine and lake survival, growth, run timing, predator/prey responses, and the effects of planned or accidental species introductions.

Land & Water Conservation Fund Administration - Continuation

(Laws 1993, Ch. 172, Sec. 14, Subd. 6f)

William H. Becker

MN Department of Natural Resources

(612) 296-3093

\$80,000 Appropriation - Future Resources Fund

This project administered the federal Land and Water Conservation Fund grant program to maximize federal receipts and ensure Minnesota's continuing eligibility to participate. In addition, the "pass through" appropriations recommended by LCMR were administered by this project through the Department of Natural Resources for the benefit of nonstate entities.

- 28 "pass throughs" totaling \$8.1 million were administered.
- Federal reimbursement eligibility totaled \$810,871 during the project period.
- This project was a continuation from the 1991-1993 biennium; M.L. 1991, Ch. 254, Sec. 14, Subd. 3(i).

Subdivision 7, Information / Education:

Developing Multi-Use Urban Green Space

(Laws 1993, Ch. 172, Sec. 14, Subd. 7b)

Alan Singer

Minneapolis Park and Recreation Board

(612) 348-2222

\$220,000 Appropriation - Future Resources Fund

During this project, 7 plots on city tax-forfeit land were designed and constructed using ecologically-sound lawncare techniques and landscaping alternatives involving neighborhood and community residents.

- 2 urban tree nurseries and orchards were planted for future use within neighborhoods.
- 30 deciduous plantings were made to begin a transition to the once-present Big Woods community and serve as a future seed-producing location.

K-12 Prairie Wetland Field Study Program - Ecology Bus

(Laws 1993, Ch. 172, Sec. 14, Subd. 7c)

Larry Granger

Heron Lake Environmental Learning Center

(507) 662-5064

\$270,000 Appropriation - Future Resources Fund

A retrofitted transit bus was equipped as a mobile teaching station and science lab to provide an interdisciplinary environmental education program in Southwest Minnesota. The mobile teaching station served 39 schools during the 1993-95 biennium.

- The integrated design of the bus and its equipment have created a portable classroom that provides students access to a wide range of outdoor locations. School curriculum units utilizing the Ecology Bus were developed for use by teachers. The Naturalist-Driver position combined instructive teaching with the vehicle's operation.
- The Ecology Bus utilized soy diesel as fuel as part of an ongoing alternative fuel research program.

The On-Line Museum: Computer and Interactive Video

(Laws 1993, Ch. 172, Sec. 14, Subd. 7d)

Orrin C. Shane, III

Science Museum of Minnesota

(612) 221-9436

\$260,000 Appropriation - Environment and Natural Resources Trust Fund

A computer-assisted museum specimen catalogue system was created. With this system specimen images and scientific data can be integrated into a museum collections database. The system is completely digital, allowing rapid editing and updating of catalogue information and efficient dissemination of information to scholars, students, and museum visitors.

- This project leveraged a federal grant of \$255,000
- Interactive video consoles for public use were developed, including a 30-minute "My Village" computer program on traditional Hmong life.

Summer Youth History Program

(Laws 1993, Ch. 172, Sec. 14, Subd. 7f)

Ian Stewart

Minnesota Historical Society

(612) 297-5513

\$100,000 Appropriation - Future Resources Fund

This program provided educational and employment opportunities to high school age youth at the Minnesota History Center or State historical sites. The program increased institutional awareness of the Minnesota Historical Society among diverse communities throughout the state and expanded the Society's programs for youth.

- The program employed 59 student interns.
- Minority and disadvantaged students accounted for 68 percent of the summer interns.
- 12 interns were employed by the Society after the program's conclusion.

The Ecology of Minnesota - Book

(Laws 1993, Ch. 172, Sec. 14, Subd. 7g)

Barbara Coffin

University of Minnesota Press

(612) 624-7368

\$51,000 Appropriation - Future Resources Fund

This project created a book that provides a comprehensive overview of Minnesota's natural environment. The book was designed to present information in full-color graphics at the high school, college, and general public levels of understanding.

- The book, written by John Tester, was titled "Minnesota's Natural Heritage: An Ecological Perspective."
- 130 color photographs and 57 illustrations provide a clear, user-friendly, up-to-date, informational literature source for those concerned with the natural environment.
- Approximately 15,000 copies of the book were sold as of June 30, 1995.

Green Street: an Urban Environmental Awareness Project

(Laws 1993, Ch. 172, Sec. 14, Subd. 7h)

Patrick Hamilton

Science Museum of Minnesota

(612) 221-4761

\$550,000 Appropriation - Environment and Natural Resources Trust Fund

The Science Museum of Minnesota developed the Green Street exhibit which communicates the links between modern lifestyles and major environmental issues. Visitors to the exhibit are encouraged to act on the information provided them in ways that reduce their impacts on the environment.

- 100,000 students and teachers directly experienced Green Street curriculum programs during the following biennium.
- Green Street has become a site of theater performances, demonstrations, services, and laboratory activities that seek to further environmental awareness and action.
- Traveling Green Street exhibits were developed on energy and water.
- Teacher workshops and resource guides were developed.

Minnehaha Park Environmental Interpretive Center

(Laws 1993, Ch. 172, Sec. 14, Subd. 7i)

Sandra A. Welsh

Minneapolis Park and Recreation Board

(612) 661-4821

\$300,000 Appropriation - Environment and Natural Resources Trust Fund

\$37,000 Nonstate Match Required

The Minneapolis Park and Recreation Board renovated the historic Longfellow House in Minnehaha Park to accommodate an environmental interpretive program. The Longfellow House is on the State Historic Register.

- The historic building was relocated from Minnehaha Parkway to Minnehaha Avenue (approximately 600 feet) and now meets A.D.A. requirements.
- Additional site work is being funded through the federal ISTEA program.

Nicollet Conservation Club Swan Lake Interpretive Center

(Laws 1993, Ch. 172, Sec. 14, Subd. 7j)

Fred L. Froehlich

Nicollet Conservation Club

(507) 225-3843

\$18,000 Appropriation - Future Resources Fund

\$18,000 Nonstate Match Required

This project equipped an interpretive center at the Nicollet Conservation Club at Swan Lake. The center has been opened for use by local school groups and government entities for interpretive programs and meetings at no charge.

- The interpretive center displays wetland ecology, wildlife, cultural resource values, and restoration efforts.
- By the conclusion of the 1993-95 biennium, over 140 children had utilized the center's educational displays, equipment, and programs.

Project City Camp: Experiential Urban Environmental Education

(Laws 1993, Ch. 172, Sec. 14, Subd. 7k)

Steven M. Gustafson

Pillsbury Neighborhood Services, Inc.

(612) 377-7000

\$130,000 Appropriation - Future Resources Fund

This project designed an educational program to provide city youth focused experiences to help increase understanding of the urban environment and its impact on human development.

- The intensive educational program involved 270 urban teens and adults using the "City Camp" model.
- Transportation, water, food, energy, communications, waste management, and economics were systems studied within the program.
- Neighborhood environmental quality maps and a three-dimensional model of Minneapolis were created for environmental education outreach.

Granite Quarry Park and Interpretive Center Planning

(Laws 1993, Ch. 172, Sec. 14, Subd. 7l)

Charles Wocken

Stearns County Parks

(612) 255-6172

\$50,000 Appropriation - Future Resources Fund

\$50,000 Nonstate Match Required

Granite Quarry Park in Stearns County, an abandoned quarry site, was extensively studied to collect information on the park's geological, ecological, biological, and cultural resources.

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- The park site analysis was completed during the project's biennium for use as a multi-use regional interpretive park.
- A Master Plan, which maps the cultural and physical features of the park, was developed from the research results which can be used for budgeting, fundraising and recreational planning purposes.

Expanded Crosby Farm Park Nature Program - Continuation

(Laws 1993, Ch. 172, Sec. 14, Subd. 7m)

Ed Olsen

Saint Paul Parks and Recreation Department

(612) 488-7291

\$91,000 Appropriation - Future Resources Fund

Park facilities in St. Paul were utilized to expand environmental educational opportunities and the natural study program at Crosby Park, including: Crosby Park and Como Zoo and Conservatory.

- 19,971 learners of all ages were reached during the project's biennium.
- Programs and curriculum were developed - formal and informal.
- Several organizations and corporations were involved with projects at Crosby Park throughout the two years of this project: Minnesota Waterfowl Association, University of Saint Thomas Alumni, Quebecore, Audubon Society and Sierra Club.
- This was a continuation of the 1991-1993 biennium; M.L. 1991, Ch. 254, Sec. 14, Subd. 5(i).

Multiple-Use Forest Management Learning Kit

(Laws 1993, Ch. 172, Sec. 14, Subd. 7n)

Mike J. Naylor

Deep Portage Conservation Reserve

(218) 682-2325

\$15,000 Appropriation - Future Resources Fund

\$5,500 Nonstate Match Required

This project developed a hands-on, interactive, outcome-based learning kit on multiple-use forest and wildlife management.

- The educational kit was created to be appropriate for grades 5 through 12, and adult visitors to environmental learning centers.
- 8 lessons are contained within the kit providing education in forest ecology, multi-use forest management, and the Deep Portage demonstration forest.

An Outdoor Classroom to Improve Rural Environmental Education

(Laws 1993, Ch. 172, Sec. 14, Subd. 7o)

Wayne Feder

Faribault County Environmental Learning Center, Inc.

(507) 526-3049

\$60,000 Appropriation - Future Resources Fund

An outdoor environmental education classroom was acquired and developed in Faribault County emphasizing Faribault County soils and the natural vegetation systems that produced them.

- Approximately 600 Faribault County youth were involved in the development of the site, particularly in planting trees and prairie seeds.
- Educational packets were developed for use with grades K through 12.
- The new learning center has provided an opportunity to help rural citizens understand the slow natural processes which shape the land; in addition, the center has provided baseline measurements of the land and plant life to monitor changes.

Subdivision 8, Land:

Base Maps for 1990's - Continuation

(Laws 1993, Ch. 172, Sec. 14, Subd. 8a)

Don Yaeger

01/14/97 8:00 AM

Land Management Information Center (LMIC)

(612) 297-2490

\$710,000 Appropriation - Environment and Natural Resources Trust Fund

This project was the third of a four biennial effort of a 50/50 cost share effort with USGS to update the state's base mapping resources which included: a statewide air photo flight; production of a new computer-readable version of these air photo suitable for use as a base map; and, production of updated traditional paper maps for the state's major urban areas.

- Digital mapping was developed for the northern and north-central portions of the state.
- By the fall of 1995, digital mapping was available to well over half of the state.
- This project was a continuation from the 1991-1993 biennium; M.L. 1991, Ch. 254, Sec. 14, Subd. 10(a). The survey continues as part of the 1995-1997 biennium; M.L. 1995, Ch. 220, Sec. 19, Subd. 7(e).

Rural County Use of NAPP Flight

(Laws 1993, Ch. 172, Sec. 14, Subd. 8b)

Richard D. Walter

Houston County Surveyor's Office

(507) 724-5814

\$90,000 Appropriation - Future Resources Fund

With the establishment of a County GIS Committee, this project produced a cooperative effort to evaluate the quality and accuracy of digital planimetric maps of Houston County. The digital maps produced for a test area within the county were compared against the traditional rectified photographs and existing methods of data collection.

- The single county-wide mapping system created a common data base that Houston County can access.
- The decision to develop accurate county-wide base maps using the National Aerial Photography Program and Geographic Information System technology has proven to be highly successful in Houston County.

Recreational Resource Planning in the Metro Mississippi Corridor

(Laws 1993, Ch. 172, Sec. 14, Subd. 8c)

William R. Morrish

Univ. of Minnesota, Design Center for American Urban Landscape

(612) 626-0333

\$175,000 Appropriation - Future Resources Fund

\$25,000 Nonstate Match Required

This project investigated the potential for enhancing and enriching the recreational opportunities between the Mississippi National River and Recreation Area (MNRRA) and the communities adjoining the MNRRA corridor. The project provided tools to facilitate planning work across municipal boundaries emphasizing how development and environmental systems can work together to create a series of green linkages and networks that extend from the Mississippi River, connecting to upland neighborhoods.

- Relevant data in the communities, covering 10 to 15 miles on either side of the river adjacent the MNRRA corridor, was identified, inventoried, and mapped; from that data, a comprehensive, integrated plan for developing environmental and recreational opportunities was produced.
- 69 municipalities, within the study area, were provided with a base of resource information, a planning language, and a set of diagrams that illustrate planning principles and processes.
- In disseminating the findings of this study, 60 neighborhood organizations, cities, counties, resource agencies and environmental groups participated in a series of 7 public workshops.

Subdivision 10, Recreation:

State Park Betterment

(Laws 1993, Ch. 172, Sec. 14, Subd. 10a)

John Strohkirch

01/14/97 8:00 AM

MN Department of Natural Resources

(612) 296-8289

\$3,000,000 Appropriation - Environment and Natural Resources Trust Fund

The State Park Betterment project developed, improved, and rehabilitated 35 state park facilities to meet growing user demand. In addition, the project prevented further deterioration of outstanding historical structures.

- Minnesota state parks receive approximately 7 million visitors every year.

Americans With Disabilities Act: Retrofitting Regional Parks

(Laws 1993, Ch. 172, Sec. 14, Subd. 10b)

Arne Stefferud

Metropolitan Council

(612) 291-6360

\$220,000 Appropriation - Environment and Natural Resources Trust Fund

The Metropolitan Council distributed subgrants to regional park implementing agencies to retrofit existing facilities to meet federal Americans With Disabilities Act (ADA) requirements. The Metropolitan Council monitored the rehabilitation projects of the implementing agencies throughout the biennium and reported the program results to the Commission.

- 9 projects covering 22 regional park facilities were completed.
- The Metropolitan Regional Park System is composed of about 60 parks and trail units serving 14 million visitors a year.

Trail Linkages, Metropolitan Regional Network

(Laws 1993, Ch. 172, Sec. 14, Subd. 10c)

Arne Stefferud

Metropolitan Council

(612) 291-6360

\$2,327,000 Appropriation - Environment and Natural Resources Trust Fund

Regional park implementing agencies received subgrants for the acquisition and improvement of regional trails which link existing and planned, regional, local, and state, parks and trails. The Metropolitan Council monitored the trail linkage projects of the implementing agencies throughout the biennium and reported the program results to the Commission.

- 9 trail connections covering 12 miles were completed in Anoka, Dakota, Hennepin, and Ramsey Counties.
- Several of the subgrants were extended to December, 1996, due to acquisition and construction delays.

Initiate Gateway Segment of the Willard Munger State Trail into Downtown St. Paul

(Laws 1993, Ch. 172, Sec. 14, Subd. 10d)

Dan Collins

MN Department of Natural Resources

(612) 296-6048

\$200,000 from the Environment and Natural Resources Trust Fund

\$54,000 from the Future Resources Fund

A city/state partnership was initiated to acquire and develop the final 1.5 mile portion of the Gateway Segment of the Willard Munger State Trail (19 miles) into downtown St. Paul for commuting and recreational purposes.

- \$950,000 in additional funds from federal ISTEA helped complete the project.
- The project was extended to December, 1996.

Birch Lake Regional Bikeway / Walkway

(Laws 1993, Ch. 172, Sec. 14, Subd. 10e)

Mark Burch

01/14/97 8:00 AM

City of White Bear Lake

(612) 429-8563

\$450,000 Appropriation - Environment and Natural Resources Trust Fund

The City of White Bear Lake developed a link from the TH96 regional corridor to the Tamarack Nature Center. The Birch Lake Regional Trail completes key portions of a regional trail network and provides an alternative form of access to business centers, local parks and schools, and sports facilities.

- 2.5 miles of trail were developed. 1.8 miles are off-road and .4 miles are on-road.
- Interpretive signs have been installed at various stations along the nature preserve portion of the trail.

Cedar Lake Park Trail Development

(Laws 1993, Ch. 172, Art. 1, Sec. 14, Subd. 10f)

Gary Criter

Minneapolis Park and Recreation Board

(612) 661-4820

\$610,000 Appropriation - Environment and Natural Resources Trust Fund

\$200,000 Nonstate Match Required

The Minneapolis Park and Recreation Board, utilizing a subgrant from the Metropolitan Council, planned and constructed the Cedar Lake Trail. This non-motorized, recreational commuter trail connects Highway 100 to downtown Minneapolis and the Chain of Lakes.

- 10 miles of trail were developed, which included 2 one-way bike paths.
- Prairie grass plantings, signs (regulatory and directional), and artificial lighting were completed to add to the visitors' enjoyment of the corridor.
- \$500,000 of federal ISTEA funds helped complete the project.
- The project was extended to December, 1995.

State Trail Development - Continuation

(Laws 1993, Ch. 172, Sec. 14, Subd. 10g)

Thomas R. Danger

MN Department of Natural Resources

(612) 296-4782

\$2,327,000 Appropriation - Environment and Natural Resources Trust Fund

The Department of Natural Resources continued acquisition and development activities to improve recreational opportunities with the state.

- A total of 70 miles of trail were developed.
- Approximately 45 miles of the Paul Bunyan State Trail was developed.
- Development continued on the Willard Munger State Trail between the towns of Barnum and Carlton (approximately 20 miles).
- Approximately 20 miles were acquired for a trail connection between the town of Harmony and the Root River State Trail; development was completed on 5 miles.

Shingle Creek Trail Improvement

(Laws 1993, Ch. 172, Sec. 14, Subd. 10h)

Andrew J. Lesch

Minneapolis Park and Recreation Board

(612) 661-4823

\$130,000 Appropriation - Environment and Natural Resources Trust Fund

The Minneapolis Park and Recreation Board developed the Shingle Creek Trail connection between Minneapolis and the Hennepin County Regional Trail.

- By developing 600 feet of trail, connections between Minneapolis Shingle Creek Trails and Brooklyn Center were successfully completed, and a critical missing link in the trail system was eliminated.

Lilydale / Harriet Island Regional Park Trail

(Laws 1993, Ch. 172, Sec. 14, Subd. 10i)

01/14/97 8:00 AM

Timothy Agness

City of St. Paul

(612) 266-6400

\$246,000 Appropriation - Environment and Natural Resources Trust Fund

The City of St. Paul successfully designed and constructed a 2.5 miles pedestrian and bicycle trail in the Lilydale / Harriet Island Regional Park.

- The trail route takes advantage of the park's unique features, while preserving and protecting the area's natural resources.

Como Park East Lakeshore Reclamation

(Laws 1993, Ch. 172, Sec. 14, Subd. 10j)

John Wirka

City of St. Paul

(612) 266-6400

\$163,000 Appropriation - Environment and Natural Resources Trust Fund

Site improvements in St. Paul were completed in severely eroded areas on the east lakeshore in Como Park, thus, improving the water quality.

- Parking and pedestrian paths were relocated where necessary, and regrading, landscaping, and revegetating were conducted, to aid the park in its struggle with high levels of visitor use.

Acquisition of Palace Restaurant Site on the Mississippi River

(Laws 1993, Ch. 172, Sec. 14, Subd. 10k)

Albert D. Whitman

Minneapolis Park and Recreation Board

(612) 661-4822

\$325,000 Appropriation - Environment and Natural Resources Trust Fund

The Minneapolis Park and Recreation Board acquired the Palace Restaurant site located on the east bank of the Mississippi River for open space, recreational opportunities, and river access.

- The site was properly cleared of debris and hazards after acquisition. Erosion control measures were taken to stabilize the environment to better deal with the high levels of recreational use.
- Neighborhood Reinvestment Program funds have been committed for additional restoration work. As future funding becomes available, the land will be developed as a river-oriented park.

Access to Lakes and Rivers - Continuation

(Laws 1993, Ch. 172, Sec. 14, Subd. 10l)

Michael T. Markell

MN Department of Natural Resources

(612) 296-6413

\$1,000,000 Appropriation - Environment and Natural Resources Trust Fund

This project accelerated the Access to Lakes and Rivers Program. \$500,000 was provided for boat access acquisition and development, and \$500,000 was provided for shoreline access and fishing piers.

- Acquisition and development is based on the water access priority list, availability to property, and willing sellers.
- 3 public water access sites were acquired: one on Lake Vermillion in St. Louis County, one on the Mississippi River in Wabasha County, and one on the Rainy River in Koochiching County. One site on the Mississippi River was developed in cooperation with Lake City.
- 22 fishing piers were installed on lakes and rivers statewide.
- 3 shore fishing sites in the Metro area were constructed.

Saint Louis River Land Acquisition

(Laws 1993, Ch. 172, Sec. 14, Subd. 10m)

Michael T. Markell

01/14/97 8:00 AM

MN Department of Natural Resources

(612) 296-6413

\$1,000,000 Appropriation - Environment and Natural Resources Trust Fund

This project funded the first phase of the acquisition of privately held, undeveloped lands, located along the Saint Louis, Cloquet, and Whiteface rivers. The lands were acquired for the protection of the riparian zones, and the aesthetic, recreational, historical, and archeological values. Funding was also provided to the St. Louis River Board for implementation of the St. Louis River Plan.

- Lands offered by the Minnesota Power Company were appraised and identified in the St. Louis River Management Plan.
- The purchase of approximately 4,500 acres of the highest priority lands was negotiated.
- This project has begun the acquisition of approximately 22,000 acres of undeveloped riparian lands for resources and recreational value.
- Additional funding includes: State bonding, M.L. 1994, Ch. 643, Sec. 23, Subd. 22 - \$1,200,000, and M.L. 1996, Ch. 463, Sec. 7, Subd. 23 - \$2,200,000

Lake Minnetonka Water Access Acquisition

(Laws 1993, Ch. 172, Sec. 14, Subd. 10n)

Michael T. Markell

MN Department of Natural Resources

(612) 296-6413

\$944,000 Appropriation - Environment and Natural Resources Fund

The Department of Natural Resources acquired land on the Maxwell and Crystal Bays of Lake Minnetonka to provide boat access, shorefishing, and other public use areas. The Lake Minnetonka Conservation District and the City of Orono worked closely with the DNR in the acquisition of the 4 parcels of land (5 acres total).

Lake Superior Safe Harbors

(Laws 1993, Ch. 172, Sec. 14, Subd. 10o)

Michael T. Markell

MN Department of Natural Resources

(612) 296-6413

\$1,000,000 Appropriations - Future Resources Fund

This project initiated the establishment of a safe harbor and protected water access on Lake Superior at Silver Bay. Project elements included design and construction of breakwaters to protect a basin of about 10 acres, boat launch, ramps, parking, and other facilities that support boating.

- Design and engineering has been completed.
- Leases have been negotiated.
- The U.S. Army Corps of Engineers will construct the breakwaters and the state will construct the land based dockage facilities.
- This project was extended into the 1995-1997 biennium; M.L. 1996, Ch. 407, Sec. 8, Subd. 9 to December 1997 and an additional extension to June 30, 1999 has been requested.
- Additional funding in 1994 included \$2,200,000 from bonding, ML 1994, Ch. 643, Sec. 23, Subd. 27 and \$1,000,000 in ML 1994 Ch. 632, Art. 2, Sec. 6 from the Minnesota Future Resources Fund.

Cooperative Trails Grant Program

(Laws 1993, Ch. 172, Sec. 14, Subd. 10p)

Dan Collins

MN Department of Natural Resources

(612) 296-6048

\$800,000 Appropriation - Future Resources Fund

This project piloted the Cooperative Trails Grant Program by providing matching grants (\$50,000 maximum) to local units of government to assist in the acquisition and development of local trail connections to state trails and other public facilities.

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- 18 projects were selected for funding averaging \$44,000 per project.
- Approximately 33 miles of trails were developed including the construction of 2 trail bridges.

Agassiz Recreational Trails (A.R.T.)

(Laws 1993, Ch. 172, Sec. 14, Subd. 10q)

Curtis Borchert

Norman County Soil and Water Conservation

(218) 584-5169

\$650,000 Appropriation - Future Resources Fund

The first phase of the Agassiz recreational trail system was planned, purchased, and developed. In addition to the 32 miles of multiple-use trails completed, four local parks, located adjacent the trail, were improved to link recreational opportunities located in Clay, Norman, Polk, and Red Lake counties of Northwest Minnesota.

- Over 140 miles of additional snowmobile trails connecting to the system have been added to the project by local clubs.
- The project was assisted by federal AmeriCorps funding.
- This project completion was extended to December, 1995.

Mesabi Trail Acquisition, Planning, and Development

(Laws 1993, Ch. 172, Sec. 14, Subd. 10r)

Robert Manzoline

Saint Louis and Lake Counties Regional Railroad Authority

(218) 834-3787

\$700,000 Appropriation - Future Resources Fund

\$350,000 Nonstate Match Required

The Mesabi Trail Project initiated the planning, design, acquisition, and development of a 132-mile, multi-purpose trail located between Grand Rapids and Ely, Minnesota.

- Of the 66 miles scheduled to be developed by the year 2000, 12 miles were completed during this biennium.
- The project was continued into the 1995-1997 biennium (M.L. 1995, Ch. 220, Sec. 19, 4(g)) for one half of the non-federal ISTEAA match.

Recreational Programming: Inclusiveness for Persons with Disabilities

(Laws 1993, Ch. 172, Sec. 14, Subd. 10s)

Susan Rivard

Vinland Center

(612) 479-4523

\$160,000 Appropriation - Future Resources Fund

This project provided training and consultation, targeted outreach, and resource education to enhance the inclusiveness, accessibility, and utilization of programs at the Metropolitan YMCA, Minneapolis Park and Recreation Board (MPRB), and Camp Fire Boys and Girls by persons with disabilities.

- Over 360 staff at the YMCA, MPRB, and Camp Fire received training on how to work with people with disabilities.
- Over 650 consumers, parents, and professionals received targeted, persuasive, informational mailings to encourage people with disabilities to participate in programs and activities.
- A disability awareness training manual was developed to ensure that staff training to facilitate inclusion continues within the organizations.
- The YMCAs served 502 disabled youth in the summer of 1994.
- The MPRB served 393 disabled youth in the spring of 1995.
- Presentations were made at the 1994 and 1995 National Recreation and Park Association Conferences.

Enhanced Recreational Opportunities for Southeast Asian Ethnic Communities

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(Laws 1993, Ch. 172, Sec. 14, Subd. 10t)

Josee Cung

MN Department of Natural Resources

(612) 297-4745

\$300,000 Appropriation - Future Resources Fund

The Department of Natural Resources worked with Southeast Asian communities, in an effort to break through barriers of culture and language, to provide education in natural resource management and outdoor recreation. DNR and other natural resource professionals were exposed to cultural and sensitivity training to improve government relations and improve communication.

- 4 Southeast Asian communities - consisting of 35,000 Hmong, 18,000 Vietnamese, 10,000 Lao, and 8,000 Cambodians - were reached through the project.
- 23 community organizations became involved with the outreach project.
- A summer youth program served approximately 900 inner-city Southeast Asian youth.
- 2 educational materials were translated into Southeast Asian languages: the fish and game laws, and the hunting and gun safety training manual.
- 52 cultural training sessions were held for over 1800 DNR and natural resource professionals.
- This project was continued through the 1995-1997 biennium (M.L. 1995, Ch. 220, Sec. 220, 6(m)) and recommended to be incorporated by the DNR into regular agency budget initiatives.

Urban Community Gardening Program - Continuation

(Laws 1993, Ch. 172, Sec. 14, Subd. 10u)

Sue Gunderson

Sustainable Resources Center

(612) 872-3283

\$110,000 Appropriation - Future Resources Fund

Funding was continued for the Urban Gardening Program to rehabilitate marginal and vacant urban open land into productive community green space, and, as a result, encourage vegetable and fruit gardening in low-income neighborhoods and by under-served populations.

- Over 55 new urban community gardens were established, with the assistance of the project, serving 6 to 50 gardeners each.
- The gardens transformed unused, vacant, and blighted lands into community natural resources, and added value and beauty to neighborhoods ranging in socioeconomic status from St. Paul's Frogtown to Minneapolis' Uptown.
- \$14,450 worth of untreated seed was distributed to low-income gardeners.
- Technical assistance was provided to over 50 established gardens throughout the metro area, ensuring that the gardens remained productive and well-maintained.
- More than 800 residents attended gardening classes.
- The project newsletter "Urban Gardener" mailing list grew to over 1400 subscribers.
- This project was a continuation from the 1991-1993 biennium; M.L. 1991, Ch. 254, Sec. 14, Subd. 10(u), and was continued into the 1995-1997 biennium; M.L. 1995, Ch. 220, Sec. 19, 8(b).

National Register Grants Program

(Laws 1993, Ch. 172, Sec. 14, Subd. 10v)

Britta Bloomberg

Minnesota Historical Society

(612) 296-5471

\$165,000 Appropriation - Future Resources Fund

Restoration and interpretation planning were accomplished for the state historic sites of Pickwick Mill in Winona County, the Sibley County Courthouse in Henderson, the Wendelin Grimm Farmstead in Carver County, and the Tugboat Edna G in Two Harbors. Emergency grants assisted an additional 11 National Register properties in need of emergency repairs.

- All properties were included in this project because of their high visibility and significance as state resources. The individual projects created new vision in their communities regarding the value of these resources and their interpretation and educational potential.

- \$50,000 was documented in match from recipient organizations.

Historical Research and Planning for Traverse des Sioux

(Laws 1993, Ch. 172, Sec. 14, Subd. 10w)

Robert A. Clouse

Minnesota Historical Society

(612) 297-4701

\$68,000 Appropriation - Future Resources Fund

Cultural resources and relevant social issues of the Traverse des Sioux were documented and researched. A master plan for the Traverse des Sioux state historic site was developed.

- In addition to data obtained from past studies and literature reviews, the funding supported archaeological investigations at the Traverse des Sioux site, which recovered a stone spear point that documents evidence of a 9,000 year old Native American occupation.
- The Traverse des Sioux site, as a result of this project, has now become known as a rare Minnesota example of an undisturbed site of the Paleo-Indian Period (7,000 to 12,000 years ago).
- A group of 6 burial mounds belonging to the pre-European contact period were mapped at the site and recommendations were made to assure their protection.
- The research documented over 50 early historic period features relating to early missionary activity, the fur trade, commerce, transportation, and the development of the early townsite of Traverse des Sioux in the 1850s.
- An extensive archaeological and historical research report has been made available to the regional archaeological community.

Peninsula Point Two Rivers Historical Park

(Laws 1993, Ch. 172, Sec. 14, Subd. 10x)

Butch Brandenburg

City of Anoka

(612) 421-6630

\$435,000 Appropriation - Future Resources Fund

- The City of Anoka constructed and developed Peninsula Point Two Rivers Historical Park.
- A picnic pavilion, plaza, interpretive play structure, historical interpretive center restrooms, trails, parking lots, historical displays and markers, and lights were all constructed within the park.
- Over 100 Anoka student athletes participated in the landscaping of the park.
- Approximately \$200,000 of cash and in-kind donations were contributed by the city to the project.

Subdivision 11, Water:

Local River Planning - Continuation

(Laws 1993, Ch. 172, Sec. 14, Subd. 11b)

Daniel G. Retka

MN Department of Natural Resources

(218) 327-4416

\$480,000 Appropriation - Future Resources Fund

The Department of Natural Resources continued assistance to local units of government in the development of comprehensive local river plans in northern and central Minnesota. The matching grants covered two-thirds or less of each individual river plan's cost.

- Local river plans were successfully completed on the Little Fork, Rat Root, Snake, and Vermillion Rivers.
- Program development plans have been developed by the river boards for the Roseau and Middle rivers for the next phase of the planning process. This funding enabled identification of strategies to begin management plans.
- Participants in the Long Prairie River effort expect to submit for river planning funds next biennium.
- Model land-use management ordinances were developed for the river watersheds of the three completed river plans. The ordinances prescribe review procedures and performance standards for

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activities within the river corridors. The three completed river plans extended designated river corridors 800 feet (beyond the traditional 300 feet used in the Shoreland Management Program) to better control land use activities that affect the riparian areas.

- The management plans developed were disseminated to local, state, and federal government entities and private groups.
- This project was a continuation from the 1991-1993 biennium; M.L. 1991, Ch. 254, Sec. 14, Subd. 3(c), and was continued into the 1995-1997 biennium; M.L. 1995, Ch. 220, Sec. 19, Subd. 5(a).

County Geologic Atlases (MGS) / Regional Hydrogeologic Assessments (DNR) - Continuation

(Laws 1993, Ch. 172, Sec. 14, Subd. 11g)

\$850,000 Total Appropriation

David Southwick

Minnesota Geological Survey

(612) 627-4780

\$425,000 Appropriation - Environment and Natural Resources Trust Fund

Sarah Tufford

MN Department of Natural Resources

(612) 297-2431

\$425,000 Appropriation - Environment and Natural Resources Trust Fund

This project accelerated the multi-county regional hydrogeologic assessments, and the production of county geologic atlases. The project helps provide state, regional, and local needs with geologic and hydrologic data and interpretations essential to the protection of Minnesota's groundwater. The atlases and assessments are designed to assist resource managers in decision-making. A county services office of the MGS was established to assist users of the atlases and assessments with their information needs.

- The geological components of the county geologic atlases for Fillmore, Rice, and Stearns counties were completed and published.
- The Red River Valley regional hydrogeologic assessment was completed and published.
- 70% of the Southwest Minnesota regional hydrogeologic assessment was completed with the rest to be finished in the next biennium.
- Field trips and workshops were conducted to help potential users of the data and maps.
- The LCMR recommended that these activities be incorporated into the regular budgets of the agencies in future biennia.
- This project was a continuation of the 1991-1993 biennium; M.L. 1991, Ch. 254, Sec. 14, Subd. 4(f).

Septic System Replacement for Water Related Tourism Business

(Laws 1993, Ch. 172, Sec. 14, Subd. 11h)

Paul Moe

Department of Trade and Economic Development

(612) 297-1391

\$500,000 Appropriation - Future Resources Fund

This project provided matching grants of up to \$10,000 each to enable the replacement of failing or nonconforming septic systems of resorts and related tourism businesses located on lakes and rivers.

- 74 projects were funded at an average cost of \$6,750 per system replacement.
- Businesses receiving assistance were located across 31 counties of Minnesota.

Subdivision 12, Wildlife, Fisheries, Plants:

RIM Critical Habitat Match, Scientific & Natural Areas, Wildlife & Prairie Acquisition - Continuation

(Laws 1993, Ch. 172, Sec. 14, Subd. 12a)

Kim Hennings

MN Department of Natural Resources

(612) 297-2823

\$4,000,000 Appropriation - Environment and Natural Resources Trust Fund

The Reinvest in Minnesota initiative (Critical Habitat Match, Scientific and Natural Areas, etc.) was continued through the following accomplishments:

- Approximately 4,499 acres were acquired for the restoration and protection of Minnesota's natural environments, and native plant and animal species; including 4,242 acres for Wildlife Management Areas, 133 acres for state parks, 122 acres for Scientific and Natural Areas, and 1 acre for Aquatic Management.
- 5,694 acres were restored/improved for fisheries, forests, grassland, prairies, wetlands, and woody cover.

RIM Wildlife Habitat Stewardship and Property Development

(Laws 1993, Ch. 172, Sec. 14, Subd. 12b)

Dick Carlson

MN Department of Natural Resources

(612) 296-0705

\$900,000 Appropriation - Environment and Natural Resources Trust Fund

The Reinvest in Minnesota program utilized prescribed burns, prairie plantings, and forest management to improve the natural communities in over 48,952 acres. In addition, 280 miles of boundary markings were completed around Wildlife Management Areas and Scientific and Natural Areas.

RIM Statewide Fisheries Habitat Development

(Laws 1993, Ch. 172, Sec. 14, Subd. 12c)

Dirk Peterson

MN Department of Natural Resources

(612) 296-0789

\$687,000 Appropriation - Environment and Natural Resources Trust Fund

This Statewide Fisheries Habitat Development Project has improved river species migration and reproduction, and reduced fish mortality on winterkill-prone lakes.

- 12.4 miles of stream habitat were improved for trout, walleye, and smallmouth bass.
- The Flandrau Dam on the Cottonwood River was removed effectively increasing the river fish species' migration for over 60 miles.
- 7 lake aeration systems were purchased and installed.

Establishment of Critical Winter Habitat Areas on Intensively Farmed Land

(Laws 1993, Ch. 172, Sec. 14, Subd. 12d)

David Nomsen

Pheasants Forever, Inc.

(612) 763-6103

\$100,000 Appropriation - Future Resources Fund

\$60,000 Nonstate Match Required

176 acres of critical winter pheasant habitat was acquired within Scott County, consisting of 4 tracts, each ranging from 29 to 75 acres. The acquisition of the land areas has established a wildlife corridor about 3 and 1/2 miles wide stretching for 10 miles.

Wild Turkey Hunting Safety/Education

(Laws 1993, Ch. 172, Sec. 14, Subd. 12e)

Len Holtegaard

National Wild Turkey Federation

(507) 932-4866

\$39,000 Appropriation - Future Resources Fund

Safety was promoted within the sport of wild turkey hunting through public service announcements (PSAs) and the production of a safety video presentation.

- 20,000 copies of the brochure "Hunting Private Land" were printed and distributed.

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- The video "Wild Turkey Hunting Safety in Minnesota" was completed and distributed to the public and DNR regional offices for widespread hunter education.
- Over 2000 calendars were distributed to promote hunter-landowner understanding and cooperation. 16 meetings with local chapters of the National Wild Turkey Federation were held with landowners.

Niemackl Watershed Restoration

(Laws 1993, Ch. 172, Sec. 14, Subd. 12f)

(Laws 1994, Ch. 580, Sec. 8)

(Laws 1995, Ch. 220, Sec. 19)

Jim Breyen

MN Department of Natural Resources

(218) 755-3958

\$500,000 Appropriation - Future Resources Fund

\$300,000 Nonstate Match Required

The Niemackl Watershed Restoration project is working to restore the Niemackl watershed through the improvement of water quality, flood reduction, fish and wildlife habitat, and recreation through citizen participation with federal, state, and local governments, and nongovernment agencies.

- The Niemackl Watershed Restoration Project was extended through December 31, 1997 (Laws 1996, Ch. 407, Sec. 8, Subd. 7c).

Deer Critical Habitat Survey - Koochiching County

(Laws 1993, Ch. 172, Sec. 14, Subd. 12g)

Dennis Hummitzsch

Koochiching County, County Courthouse

(218) 283-6295

Frank Swendsen

MN Department of Natural Resources

(218) 286-5434

\$75,000 Appropriation - Future Resources Fund

\$5,000 Nonstate Match Required

The Koochiching County project conducted an intensive survey of deer winter cover to identify critical habitat for deer for improved timber management and for deer population management.

- 41,000 acres of winter cover were identified through aerial surveys and ground mapping.
- The coniferous stands identified as winter cover were entered as collected data into the current forest inventory and Geographic Information Systems.
- Timber management plans were written for each coniferous stand identified as winter cover. The management plans developed have helped to move the county's natural resource management closer to an integrated, multi-use management approach, which will better ensure healthy deer populations amidst regulated timber harvesting.
- Weather affected the project and, as a result, the time of completion was extended until December 31, 1996.

RIM - Fisheries Acquisition for Angler Access and Habitat Development

(Laws 1993, Ch. 172, Sec. 14, Subd. 12h)

Dirk Peterson

MN Department of Natural Resources

(612) 296-0789

\$300,000 Appropriation - Environment and Natural Resources Trust Fund

The RIM project utilized the appropriation to acquire aquatic habitat for increased angler access and improvement of habitat.

- The funding for this RIM project was allocated as follows:
 - 1.54 miles or 24.6 acres of trout stream easements.
 - 1.49 miles or 143.8 acres of warmwater stream easements.
 - 3.73 miles or 148.3 acres of aquatic management areas.

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- In total, acquisitions were made on 6.76 miles of stream and lake shoreline, or 316.7 acres, to improve angler access and protected fish habitat.

Prairie Ecosystem Restoration in the Minneapolis Park System

(Laws 1993, Ch. 172, Sec. 14, Subd. 12j)

Jeffrey T. Lee

Minneapolis Park and Recreation Board

(612) 348-4448

\$60,000 Appropriation - Future Resources Fund

\$60,000 Nonstate Match Required

Remnant and secondary prairie plant communities in the Minneapolis park system were restored through soil amendment, reintroduction of indigenous plants, and extensive maintenance.

- Restorative work was conducted in over 10 separate park locations.
- Some methods of restoration utilized during this project included prescribed burning, rototilling, pre-emergent herbicide applications, tree and brush removal, spot seeding, and, of course, planting.

Theodore Wirth Park Tamarack Bog Preservation Project

(Laws 1993, Ch. 172, Sec. 14, Subd. 12k)

Jonalie Wosepka

People for Minneapolis Parks Fund

(612) 661-4778

\$40,000 Appropriation - Future Resources Fund

This preservation project restored the Theodore Wirth Park Tamarack Bog, improved the access trail, constructed a boardwalk, and created and installed self-guided interpretive signage.

- Purple Loosestrife and Buckthorn populations were effectively reduced within the bog, and over 600 native wildflowers were planted.
- Access to the bog was made available to the public along cedar shaving-lined switchback trails to the bog edge. The construction of a boardwalk and a boardwalk bridge across the moat allow visitors to cross over onto the bog island, which is inhabited by over 225 tamarack trees.
- In total, approximately 2 miles of trail and boardwalk were developed.
- Over 5000 copies of the park's self-touring guide book were printed and distributed.

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ML 1994, Ch. 632, Art. 2, Sec. 6

State Park Betterment	\$650,000
Lake Minnetonka Water Access Acquisition	850,000
Silver Bay Harbor	3,200,000
Local Recreation Grants	250,000

State Park Betterment

(M.L. 1994, Ch. 632, Art. 2, Sec. 6, subject to M.L. 1993, Ch. 172, Sec. 14, Subd. 10a)

John Strohkirch

MN Department of Natural Resources

(612) 296-8289

\$650,000 Appropriation - Environment and Natural Resources Trust Fund

The 1994 appropriation supplemented funding of the 1993 State Park Betterment project for the rehabilitation and improvement of additional park facilities.

Lake Minnetonka Water Access Acquisition

(M.L. 1994, Ch. 632, Art. 2, Sec. 6, subject to M.L. 1993, Ch. 172, Sec. 14, Subd. 10n)

Michael T. Markell

MN Department of Natural Resources

(612) 296-6413

\$850,000 Total Appropriation:

\$154,000 from Future Resources Fund

\$696,000 from Environment and Natural Resources Trust Fund

The 1994 appropriation supplemented the Department of Natural Resources' acquisition of land on the Maxwell and Crystal Bays of Lake Minnetonka to provide boat access, shorefishing, and other public use areas. The Lake Minnetonka Conservation District and the City of Orono worked closely with the DNR to help make the acquisition of the 4 parcels of land (5 acres total) a success.

Silver Bay Harbor

(M.L. 1994, Ch. 632, Art. 2, Sec. 6 and Ch. 643, Sec. 23, Subd. 27, subject to M.L. 1993, Ch. 172, Sec. 14, Subd. 10o)

Michael T. Markell

MN Department of Natural Resources

(612) 296-6413

\$1,000,000 Appropriation - Future Resources Fund

\$2,200,000 Appropriation - Bonding

The 1994 additional funding helped to initiate the establishment of a safe harbor, and protected water access on Lake Superior at Silver Bay. Project elements included design and construction of breakwaters to protect a basin of about 10 acres, boat launch, ramps, parking, and other facilities that support boating.

- Design and engineering has been completed.
- Leases have been negotiated.
- The U.S. Army Corps of Engineers will construct the breakwaters and the state will construct the land based dockage facilities.
- This project was extended into the 1995-1997 biennium; M.L. 1996, Ch. 407, Sec. 8, Subd. 19 to December 1997, and an additional extension to June 30, 1999 has been requested.

Local Recreation Grants

(M.L. 1994, Ch. 632, Art. 2, Sec. 6, subject to M.L. 1993, Ch. 172, Sec. 14)

Wayne Sames

MN Department of Natural Resources

(612) 296-1567

\$250,000 Appropriation - Future Resources Fund

This appropriation to the Department of Natural Resources directed matching grants of \$100,000 each to the White Earth and Leech Lake Reservations, and \$50,000 to the Nett Lake Reservation for community recreation facilities in communities with disproportionate incidences of juvenile delinquency.

ML 1993 Chapter 172 Sec. 14 Minnesota Resources

Research Projects

The 26 research projects in the biennium were peer reviewed before the appropriation was made and upon completion of the projects as required in M.S. 116P.08, Subd. 6. The reviews were conducted by an eleven-member scientific panel of experts providing both regional and national perspectives.

Summaries of the activities completed for projects with research components are included in this section--tab (3).

Non-research project summaries are under tab (2).

Subd. 3, Agriculture: Page 1

3(a)	OOO	BIOLOGICAL CONTROL OF PLANT AND ANIMAL PESTS - Continuation	880,000
3(b)		COVER CROPS IN A CORN AND SOYBEAN ROTATION	150,000
3(d)		DEMONSTRATION OF PRODUCTION SCALE WASTE COLLECTION IN AQUACULTURE	100,000
3(f)		ALTERNATIVE AQUACULTURE METHODS	230,000
3(g)		MINNESOTA AQUACULTURE DEVELOPMENT PROGRAM	230,000
3(h)		MANAGING AGRICULTURAL ENVIRONMENTS OF N.-CENTRAL MINNESOTA SANDY SOILS - Continuation	480,000
3(i)		NUTRIENT AVAILABILITY FROM LAND-APPLIED MANURE	280,000
3(j)		EFFECTIVE MANURE MGMT. IN CONS. TILLAGE SYSTEMS FOR KARST AREAS	500,000
3(k)		NUTRIENT RECYCLING THROUGH PLANTS AND ANIMALS	260,000
3(l)	OOO	DEVELOPING SOIL SPECIFIC NITROGEN MANAGEMENT AS A BMP	294,000

Subd. 4, Energy: Page 4

4(c)	OOO	OPERATIONAL IMPLICATIONS OF ALTERNATE TRANSIT BUS FUELS	78,000
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Subd. 5, Forestry: Page 5

5(d)		DEVELOPING QUALITY HARDWOOD FORESTS	210,000
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Subd. 6, General: Page 5

6(b)	TF	MINNESOTA'S FOREST-BIRD DIVERSITY INITIATIVE - Continuation	500,000
6(c)		DESCRIPTION AND EVALUATION OF MINNESOTA OLD GROWTH FORESTS - Continuation	250,000

Subd. 7, Information/Education: Page 6

7(a)		QUANTIFY PESTICIDE AND FERTILIZER RUNOFF FROM GOLF COURSES	49,000
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Subd. 9, Minerals: Page 7

9(a)		MITIGATING CONCRETE AGGREGATE PROBLEMS IN MINNESOTA	179,000
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Subd. 11, Water: Page 7

11(a)	TF	MINNESOTA RIVER IMPLEMENTATION-Continuation	1,100,000
11(c)	TF	MERCURY REDUCTION IN FISH - Continuation	200,000
11(d)		STREAM FLOW PROTECTION	280,000
11(e)		SOUTH CENTRAL MINNESOTA GROUNDWATER CONTAMINATION SUSCEPTIBILITY - Continuation	290,000
11(f)		WHITE BEAR LAKE LEVELS FEASIBILITY STUDY (1994 reduced from 228,000 to 175,000)	175,000
11(i)		OPTICAL BRIGHTENERS: INDICATORS OF SEWAGE CONTAMINATION OF GROUNDWATERS	157,000

Subd. 12, Wildlife, Fisheries, Plants: Page 10

12(l)	TF	BIOLOGICAL CONTROL OF EURASIAN WATERMILFOIL, AND PURPLE LOOSESTRIFE - Continuation	400,000
12(m)		REPLACEMENT OF EURASIAN WATERMILFOIL WITH NATIVE MINNESOTA PLANTS	40,000
12(n)		INTEGRATED CONTROL OF PURPLE LOOSESTRIFE	90,000
12(o)	TF	ECOLOGICAL IMPACTS OF RELEASING GENETICALLY ENGINEERED FISHES	175,000

TF Funded from the Environment and Natural Resources Trust Fund

OOO Funded from Oil Overcharge Money

Balance funded from Minnesota Future Resources Fund

1993-95 Biennium Research Projects

Subd. 3 Agriculture:

Biological Control of Plant and Animal Pests - Continuation

(Laws 1993, Ch. 172, Sec. 14, Subd. 3(a))

Dharma Sreenivasam

MN Department of Agriculture

(612) 296-1350

\$880,000 Appropriation - Oil Overcharge Money

This project identified, developed, tested, and implemented biological control agents in Minnesota, while focusing on effective integrated pest control with reductions in chemical use and energy costs.

- Scientists from the MN Dept. of Agriculture, the U of MN, and Mankato State University participated in this project.
- Seventeen separate research projects were conducted. Seven projects worked to extend the importation and establishment of natural enemies to musk thistle, Canada thistle, cereal leaf beetle, gypsy moth, filth flies, and cabbage and broccoli pests. Eight projects utilized environmental manipulation for Brassica smother plants, cocklebur, scab and verticillium wilt of potato, sugarbeet root rot, alfalfa pests, corn rootworm, or arthropods in commercial greenhouse production. Two research projects utilized periodic releases of natural enemies to control the European corn borer and insect pests of small grains and forage crops.
- The research experimental design, methodology, validation criteria and application costs developed in the previous 4 to 6 years provided a solid base to refine the above projects for implementation.
- Potentially 18 million acres of MN cropland have been subject to annual chemical pest control treatments in recent years. The results from the 17 individual projects can improve Minnesotans' capabilities to protect human health, the natural environment, and surface and ground waters, while maintaining and improving food production.
- This project is a continuation from the 1991-1993 biennium: ML 1991. Ch. 254. Sec. 14, Subd. 6(a).

Cover Crops in a Corn and Soybean Rotation

(Laws 1993, Ch. 172, Sec. 14, Subd. 3(b))

Dennis D. Warnes

University of MN, West Central Experiment Station

(612) 589-1711

\$150,000 Appropriation - Future Resources Fund

This project developed management strategies for using cover crops in a corn and soybean rotation. Wisely used cover crops reduce wind and water erosion of soil, improve water quality, and reduce the use of persistent synthetic herbicides. Project results include:

- The researchers found that the cover crops must be planted before harvesting the corn and soybeans for successful establishment and growth through the fall and into the spring.
- The cover crops were found to reduce or add nitrogen (depending on the cover crop used), reduce wind and water erosion of soil, protect and improve water quality, and reduce excessive dependence on synthetic nitrogen inputs.
- When managed properly (regarding timing of planting and harvesting the cover crops), the cover crops did not harm soybean or corn development.
- All research findings have been communicated to the agriculture community, through literature and presentations.

Demonstration of Production Scale Waste Collection in Aquaculture

(Laws 1993, Ch. 172, Sec. 14, Subd. 3(d))

Dwight Wilcox

Minnesota Aquafarms, Inc.

(218) 254-5736 or (218) 254-5733

\$100,000 Appropriation - Future Resources Fund

This project was to determine the operational efficiencies of a production-scale in-situ fish waste collection system and evaluate the system's ability to meet state water quality requirements. The Minnesota Aquafarms facility was to be utilized as the test facility.

- This project was canceled in November of 1994 by the recipient.

Alternative Aquaculture Methods

(Laws 1993, Ch. 172, Sec. 14, Subd. 3(f))

Ying Q. Ji

MN Department of Agriculture

(612) 296-5081

\$230,000 Appropriation - Future Resources Fund

This project determined the capabilities of three different biofilter systems for utilization in recirculating aquaculture technology. The purpose of recirculating aquaculture technology is to conserve water via the collection and removal of wastes from the water systems. Project results include:

- Three recirculating systems were successfully designed and constructed, including: a trickle filter system, a fluidized bed sand filter system, and a submerged thin film filter system.
- Growth of the test fish species tilapia was low in all three systems due to several growth-limiting factors.
- The three systems provided levels of water quality very similar to one another.
- From least to most expensive, the construction costs of the systems were submerged thin film system, trickle filter system, and the fluidized bed sand filter system.
- A manual of recirculating aquaculture systems has been developed and many on-site demonstrations were conducted.

Minnesota Aquaculture Development Program

(Laws 1993, Ch. 172, Sec. 14, Subd. 3(g))

Ying Q. Ji

MN Department of Agriculture

(612) 296-5081

\$230,000 Appropriation - Future Resources Fund

This program administered a grant appropriation process that funded projects which evaluate and develop environmentally sound aquaculture systems. Four projects were selected after an extensive review process.

- The first project demonstrated the FIS-C Aquaculture Bioenergenics Model. This model studied waste load, waste collection techniques, and methods for optimizing feeding efficiency and effectiveness.
- The second project studied ways to convert aquaculture wastes to agriculture inputs.
- The third project compared and contrasted different aeration strategies for effectiveness and energy efficiency.
- The final project developed a new feeding regime to improve the efficiency of food utilization by the fish.
- Reports covering each project's results were made widely available through the aquaculture newsletters.

Managing Agriculture Environments of North-Central Minnesota Sandy Soils - Continuation

(Laws 1993, Ch. 172, Sec. 14, Subd. 3(h))

H. H. Cheng

Univ. of MN, Soil Science Department

(612) 625-9734

\$480,000 Appropriation - Future Resources Fund

This project addressed water quality concerns arising from corn and potato production on sandy soils in north-central Minnesota by developing improved management strategies for water, nitrogen, and herbicide use. Project results include:

- Current agricultural management practices in north-central Minnesota were evaluated by the Farm Nutrient Management Assessment Program survey.
- The diagnostic criteria for assessing in-season nitrogen needs for irrigated potatoes were refined for improved efficiency.
- Best Management Practices for corn and potatoes were improved.
- Herbicide losses to groundwater through irrigated potato production were studied.
- A hydrologic water balance computer model was developed to improve water management.
- BMP models considering water and chemical movement were studied for effectiveness.
- Extensive detailed reports, research and extension publications, and 5 on-site demonstrations were provided to summarize the findings and provide information to the public.
- This project was a continuation from the 1991-1993 biennium: ML 1991, Ch. 254, Sec. 14, Subd. 6(c).

Nutrient Availability From Land-Applied Manure

(Laws 1993, Ch. 172, Sec. 14, Subd. 3(i))

Gyles W. Randall

Univ. of MN, Southern Experiment Station

(507) 835-3620

\$280,000 Appropriation - Future Resources Fund

This project developed analytical tools to measure and predict the availability of nutrients - primarily nitrogen - from animal manure applied to soils. Project results include:

- This project improved the ability of soil tests to predict nitrogen availability to plants, when the source of the nitrogen is previously applied manure.
- Knowledge of the mineralization rate of incorporated manure on the release of nitrogen to succeeding crops was improved.
- The potential impacts of the time and rate of manure application on nitrate leaching were determined.
- Surveys completed during the project have provided understanding of the current and anticipated future manure handling systems and manure utilization and nutrient management practices.
- Knowledge gained from these surveys has contributed to the creation of Best Management Practices and the decline of harmful environmental impacts.

Effective Manure Management in Conservation Tillage Systems for Karst Areas

(Laws 1993, Ch. 172, Sec. 14, Subd. 3(j))

John F. Moncrief

Univ. of MN, Soil Science Department

(612) 625-2771

\$500,000 Appropriation - Future Resources Fund

This project investigated controllable factors (such as tillage systems and erosion control measures; manure and fertilizer source, application timing, and rates) and uncontrollable factors (such as soil type and climate) that influence the losses of contaminants to surface and groundwater in southeastern Minnesota where karst and sinkholes are numerous. The project also evaluated the potential for land applications of poultry compost as a cost-effective disposal method for the southeastern poultry industry. Project results include:

- The project's survey indicated that farmers have reduced off-farm nitrogen inputs significantly, and that ninety percent are following Best Management Practices.
- Manure applications were shown to improve water infiltration and reduce runoff.
- The utilization of magnetic inductance resistivity (MIR) was evaluated for detection of the presence of residuum, glacial till strata, and loess thickness with limited success.
- The Groundwater Loading Effects of Agricultural Management computer model was proven to over predict runoff early in the season and under predict runoff late in the season and will need more validation for SE MN.

- In evaluating the disposal of poultry, extrusion of turkey and chicken mortality was found to be viable as an alternative to composting. Artificial fertilizers, compost, and turkey manure were determined to have the same impacts on crop yield and field conditions.
- Educational efforts have communicated the findings of this project to the public in the southeastern portion of Minnesota.

Nutrient Recycling Through Plants and Animals

(Laws 1993, Ch. 172, Sec. 14, Subd. 3(k))

Samuel D. Evans

Univ. of MN, West Central Experiment Station

(612) 589-1711

\$260,000 Appropriation - Future Resources Fund

This project improved methods of manure use in West Central Minnesota, which has served to increase efficiency and reduce the probability of nitrogen and phosphorous losses to the environment.

Project results include:

- Soil nitrate-N tests to a 2-foot depth on manured and fertilized plots, either at corn emergence or at the 5-leaf stage, were fairly well correlated with corn grain yield.
- Computer models were found to simulate various manure management scenarios, but did show some degree of error due to the year-to-year variability of the Minnesota climate.
- Manure applications were found to reduce runoff, sediment, and total phosphorous during the growing season.
- The shallow disturbances of the ridge tillage method were more effective at containing soil and chemical losses than the deep moldboard plowing method.
- The project indicated that manure testing produced fewer application errors and greater economic efficiency than manure utilization without testing.
- On-site demonstrations were conducted on 3 different farms to communicate the new information produced by this project.

Developing Soil Specific Nitrogen Management as a Best Management Practice

(Laws 1993, Ch. 172, Sec. 14, Subd. 3(l))

Bruce R. Montgomery

MN Department of Agriculture

(612) 297-7178

\$294,000 Appropriation - Oil Overcharge Money

This project developed new soil specific, variable rate nitrogen applications that increased operating efficiency and reduced levels of applied nitrogen, without reductions in agricultural yield. The results from the utilization of the variable rate technology have illustrated the potential for immediate energy, fertilizer, and economic savings as well as reduced environmental risk.

Soil condition maps were successfully created which revealed nitrogen levels unique to the locations of the soil samples. Additional project results include:

- The appropriate nitrogen application rates and desirable Best Management Practices were determined via the newly created soil condition maps.
- The variable rate technology, which utilizes the soil condition maps, discourages the tendency for over-fertilization, and thus, contamination of surface and groundwaters.
- A Nitrogen Expert System, a user friendly computer aid, was developed as an educational tool to promote site specific, environment friendly management.
- Educational activities and literature have further aided the new technology's acceptance and growth.

Subd. 4 Energy:

Operational Implications of Alternate Transit Bus Fuels

(Laws 1993, Ch. 172, Sec. 14, Subd. 4(c))

Aaron Isaacs

Metropolitan Transit Commission

(612) 349-7690

\$78,000 Appropriation - Oil Overcharge Money

This project compared the emissions, fuel economy, operational advantages and disadvantages, environmental concerns, safety, reliability and operating costs within a test group of 37 identical new transit buses. The buses were subject to differences in fuel technologies, including conventional diesel, conventional diesel with particle trap filters, blended ethanol, and straight ethanol. The buses were run through comparable transit services. During the transit service performances, emissions were tested; operating costs, reliability, and fuel economy were recorded; and the effort required to service, maintain, and repair the buses was observed and recorded. Study conclusions include:

- Research concluded that ethanol buses produced higher emissions than the control group of diesel buses or the diesels with particle traps.
- The life cycle costs of converting to ethanol or CNG (compressed natural gas) were shown to be much higher than maintaining the current diesel fleet, because of the need to retrofit fueling, fuel storage and maintenance facilities, and higher maintenance costs.
- The 24 year incremental costs for ethanol and CNG were \$248 million and \$92 million, respectively.
- CNG was found to be a better alternative than ethanol because of the support of its utilities for maintenance and repair.
- The study came to the conclusion that conversions to alternative fuels should be delayed because of the potential high cost, and because no alternate fuel has emerged as the choice of either manufacturers or government.

Subd. 5 Forestry:

Developing Quality Hardwood Forests

(Laws 1993, Ch. 172, Sec. 14, Subd. 5(d))

Melvin J. Baughman

Univ. of MN, Forest Resources Department

(612) 624-0734

\$210,000 Appropriation - Future Resources Fund

This project assessed the relationship between canopy gap characteristics and stand development; measured the effects of site preparation and crown closure on red oak regeneration; and, conducted an educational program on hardwood forest management.

Results of the project's experimentation included:

- Red oak regeneration in canopy gaps was affected by gap age, area, aspect, upper-slope steepness, presence/absence of a root restricting zone within 32 inches below the ground surface, the soil's A:E horizon sand ratio, and amount of advance regeneration prior to harvest.
- Leaf shape was successfully used to differentiate northern pin oak trees from northern red oak trees and hybrids.
- Acorn numbers were found to be higher in understory and shelterwood sites than in clearcut sites, but the combined influence of dispersal, predation, and microsite result in a greater likelihood of germination and early survival than in understory sites. In all overstory treatments, burning had a positive impact on acorn numbers, germination, and early establishment.
- Planted red oak seedlings were found to be larger in plots treated with herbicides than in plots receiving mechanical or no understory treatments.
- Oak seedlings with large root systems grew larger than nursery run seedlings.
- Tree shelters encouraged seedling height, but not diameter.
- 110 educational events on forestry subjects were conducted reaching over 900 woodland owners and loggers, 2,500 youth and educators, and 1,650 other adults.
- The knowledge gained from this project can help forest managers learn to better assess the red oak regeneration potential of a site and adapt the harvest, site preparation, or planting practices to more successfully regenerate oaks.

Subd. 6 General:

Minnesota's Forest-Bird Diversity Initiative - Continuation

(Laws 1993, Ch. 172, Sec. 14, Subd. 6(b))

Lee Pfannmuller

MN Department of Natural Resources

(612) 296-0783

\$500,000 Appropriation - Environment and Natural Resources Trust Fund

The DNR implemented the monitoring program that began in the fiscal year 1992-93, continued work to assess the relationship of forest birds to landscape patterns and composition, and promoted forest bird conservation and management. Forest birds are good indicators of diversity since they comprise 70% of all forest vertebrates. The state lies in a narrow forest belt that supports a greater diversity of songbirds than anywhere else in north America.

- The project is collecting data on the presence and abundance of forest birds through a network of over 1,000 sampling points distributed across the northern forest region.
- Geographic Information System (GIS) techniques are used to correlate bird population data with regional forest cover and land use information and to develop predictive models that assess the impact of future forest change.
- The knowledge gathered is being applied to the development of forest management tools that integrate the diverse habitat needs of forest bird.
- Results have been disseminated through presentations, technical papers, publications, films, and the like.

This project is a continuation from the 1991-1993 biennium; ML 1991, Ch. 254, Sec. 14, Subd. 9(o) and is being continued in the 1995-97 biennium; ML Ch. 220, Sec. 19, Subd. 7(d) and is designed as a 10-15 year monitoring effort.

Description and Evaluation of Minnesota Old Growth Forests - Continuation

(Laws 1993, Ch. 172, Sec. 14, Subd. 6(c))

Kurt A. Rusterholz

MN Department of Natural Resources

(612) 297-7265

\$250,000 Appropriation - Future Resources Fund

The DNR accelerated the evaluation of DNR old-growth candidate stands; developed detailed descriptions of old-growth examples of three forest types; and, characterized the ecotrophic mycorrhizal fungi found in important old-growth forest types.

- 449 DNR old-growth candidate stands were sampled during the project.
- Of the 449 stands, 415 were formally evaluated and recommended for protection or release.
- 51 forest stands of three forest types: maple-basswood, oak, and black ash swamp were sampled for species and structural composition.
- Mycorrhizal fungi fruiting bodies (mushrooms) were quantitatively surveyed in two old-growth forest types: red pine and northern hardwood-conifer and compared to the mushroom diversity in younger stands. Higher mushroom species richness was found in the old-growth stands than in the younger stands. This study provided the first data on mushroom diversity in old-growth forests for eastern North America, and will provide baseline data for environmental monitoring of forest health.
- The results of the old-growth stand evaluations have been used by the DNR to identify which candidate stands will be protected as old-growth.

Subd. 7 Information/Education:

Quantify Pesticide and Fertilizer Runoff from Golf Courses

(Laws 1993, Ch. 172, Sec. 14, Subd. 7(a))

John M. Barten

Suburban Hennepin Regional Park District

(612) 476-4663

\$49,000 Appropriation - Future Resources Fund
Match required: \$49,000

This study monitored surface runoff from representative golf courses and assessed the impact of contaminants on downstream waterbodies. Study results include:

- 67 rainfall runoff samples were collected from 4 golf courses in the Twin Cities metropolitan area during the ice free season of 1994.
- Nitrogen and phosphorous concentrations in the golf courses' runoff were higher than the concentrations normally found in typical urban residential area runoff. The mean phosphorous and nitrogen export rates were 0.13 lb./acre and 1.54 lb./acre, respectively, because runoff volume at the golf courses was only 6 percent of the total rainfall.
- Detectable concentrations of fungicides were observed in 60 percent of the samples; however, only less than 0.2 percent of the fungicides applied to the golf courses was exported with runoff water.
- The study indicated that golf courses are not a significant source of nutrient loading to adjacent waterbodies, and are actually very similar in phosphorous export rates to open areas.
- This project's results will be used to assist counties and the DNR with review of new golf course construction permits. Reports have been provided to golf course superintendents, and other groups involved in golf course review and management. Research results are being published in scientific journals.

Subd. 9 Minerals:

Mitigating Concrete Aggregate Problems in Minnesota

(Laws 1993, Ch. 172, Sec. 14, Subd. 9(a))

David E. Newcomb

Univ. of MN, Civil and Engineering Department

(612) 626-0331

\$179,000 Appropriation - Future Resources Fund

This study was conducted to explore means of mitigating concrete aggregate problems in southern Minnesota. An intensive test series was run on concrete specimens typical of the sections experiencing the D-cracking failure (that is, breakdowns associated with saturation and freeze-thaw action). Methods were developed to improve the concrete performance using existing aggregate sources. Study results conclude:

- It may be appropriate to eliminate the use of highly porous coarse aggregates in portland concrete cement because it appears that this type of aggregate produces a failure at the aggregate-matrix boundary that is very difficult to mitigate.
- Reductions in coarse aggregate top size seem to be effective in reducing frost damage.
- Blending aggregate is effective in reducing frost damage.
- Reductions in water-cement ratio produced significant improvements in the frost resistance of concrete prepared using nondurable coarse aggregate.
- MnDOT has incorporated the project's findings into its maintenance and construction practices.

Subd. 11 Water:

Minnesota River Implementation - Continuation

(Laws 1993, Ch. 172, Sec. 14, Subd. 11(a))

Wayne P. Anderson

MN Pollution Control Agency

(612) 296-7323

\$1,100,000 Appropriation - Environment and Natural Resources Trust Fund

This project accelerated the adoption of Best Management Practices (BMPs) and related state and local implementation activities for the Minnesota River Basin, including demonstration watersheds, education, BMP development, and ongoing monitoring.

- 4 demonstration watersheds were established to demonstrate BMP applications. 10 of 37 evaluated subwatersheds, within the Minnesota River Assessment Project, were further analyzed for the predicted benefits of BMP applications.
- BMPs that involved farm management changes were found to be readily adopted by farmers, if modest financial incentives and technical assistance were provided. BMPs that removed land from production, or transferred land from higher to lesser economic uses were resisted by farmers.
- Adoption rates of BMPs were strongly influenced by economic factors, the presence of local resource stimulants (immediate visual benefits of BMP applications, such as lakes or streams), and local resource managers or project staff who were highly committed to the BMP adoptions.
- Any resistance or acceptance of BMPs varied between locations and individual farmers.
- Approximately 20 schools and 1000+ students participated in educational programs to advance the acceptance and understanding of BMPs with Minnesota youth.
- This project was a continuation from the 1991-1993 biennium: ML 1991, Ch. 254, Sec. 14, Subd. 4(c).

Mercury Reduction in Fish - Continuation

(Laws 1993, Ch. 172, Sec. 14, Subd. 11(c))

George R. Rapp Jr. and Gary E. Glass

University of Minnesota, Duluth

(218) 726-7957

\$200,000 Appropriation - Environment and Natural Resources Trust Fund

The goals of this project were to: (1) investigate mercury sources and bioavailability mechanisms in contaminated aquatic systems by identifying source bioaccumulation relationships and measure bioaccumulation effects of selected treatments in shoreline enclosures; and (2) conduct pilot studies to evaluate mechanisms for reducing mercury residue levels in fish and fish food chain organisms, and aid in developing future mitigative methods for reducing fish mercury contamination in lakes and rivers while long-term reductions in mercury usage and emissions are being evaluated and implemented. The research was conducted within the St. Louis River watershed and Sand Point at Crane Lake.

- Results included:
- Several streams entering the St. Louis River Estuary displayed elevated levels of mercury and analysis of local precipitation indicated mercury inputs polluting the waterway from the surrounding region.
- The study proved that mitigative treatment alternatives for areas of high mercury contamination may be beneficial, but that the only effective solution to the problem is pollution prevention through the reduction of mercury usage and emissions.
- Project results have been presented throughout the United States and Canada and have served to determine future research priorities.

This project is a continuation from the 1991-1993 biennium; ML 1991, Ch. 254, Sec. 14, Subd. 4(j) and elements of the work are continuing in the 1995-97 biennium, ML 1995, Ch. 220, Sec. 19, Subd. 5(g)

Stream Flow Protection

(Laws 1993, Ch. 172, Sec. 14, Subd. 11(d))

Ian Chisholm

MN Department of Natural Resources

(612) 296-0781

\$280,000 Appropriation - Future Resources Fund

Stream habitat data was collected and utilized to create a model of the streams. The stream habitat data was combined with pre-existing information on the habitat requirements of the aquatic community. With the assembled information, assessments were made regarding the optimum water levels for sustaining the natural aquatic life.

- Hydraulic and physical data for high, medium, and low flows were collected at 14 sites located in 8 of Minnesota's 39 major watersheds.

- 9 sites in 5 watersheds were modeled.
- 3 reports were completed for 3 separate watersheds, including: the Yellow Medicine Watershed Package, St. Croix Report, and Red Lake River Instream Flow Study.
- The recommendations contained within the reports have been utilized by the Wisconsin and Minnesota Department of Natural Resources, the Army Corps of Engineers, public seminars/publications, and private conservation groups.
- This project was continued in the 1995-97 biennium, ML 1995, Ch. 220 Sec. 19, Subd. 9(c) and is projected to be an eight biennium effort.

South Central Minnesota Groundwater Contamination Susceptibility

(Laws 1993, Ch. 172, Sec. 14, Subd. 11(e))

Henry W. Quade

Mankato State University

(507) 389-5492

\$290,000 Appropriation - Future Resources Fund

As a continuation of a 1991-93 project, this project developed a Geographical Information System (GIS) based on South Central Minnesota's subsurface geologic patterns, surface drainage, and water quality.

- An appropriate methodology was developed for determining the susceptibility and the level of confidence. The level of confidence coverage developed is a representation of the uneven distribution and density of available well driller data. The level of confidence coverage may be used to establish confidence levels for specific areas on the geologic sensitivity coverage. In a period of budget limitations and time restrictions, the level of confidence coverage may be used as a guide to prioritize the location of new water well driller logs in areas where data is sparse.
- The available municipal water quality data was not adequate to evaluate the water quality of the aquifer systems in south central Minnesota.
- 15 workshops were conducted during the biennium to educate the public and encourage the development of county work plans for proper water resource management.

Lake/Ground Water Interaction Study at White Bear Lake

(Laws 1993, Ch. 172, Sec. 14, Subd. 11(f) and amended in ML 94, Ch. 580, Sec 7). Completion date June 30, 1996.

John Linc Stine

MN Department of Natural Resources

(612) 296-0440

\$175,000 Appropriation - Future Resources Fund

This project developed an enhanced, water-budgeting computer model to answer difficult lake level and ground level fluctuation problems for Minnesota lakes. In addition, ground water level observation wells were installed around White Bear Lake in an effort to collaborate the updated computer model data.

- The computer model WATBUD, developed by the DNR, was expanded through the addition of a dynamic component for seepage estimation.
- 5 water level observation wells were installed around the lake.
- Observation well data have been collected and input into the revised WATBUD computer model for analysis.
- A Mt. Simon-Hinckley observation well was constructed by retrofitting a former Ramsey County well.
- Local governments, citizens and interested groups and state agencies have participated in a project review team.

Optical Brighteners: Indicators of Sewage Contamination of Groundwaters

(Laws 1993, Ch. 172, Sec. 14, Subd. 11(i))

Ronald C. Spong

Dakota County Environmental Management Department

(612) 891-7542

\$157,000 Appropriation - Future Resources Fund

This project determined if optical brighteners, as components of domestic wastewaters and consequently potential contaminants of groundwaters, could be detected in private drinking water supplies and, therefore, utilized as specific indicators of sewage pollution and correlated with more ubiquitous contaminants (e.g., nitrates, and coliform bacteria). In addition, the project studied if optical brighteners interfere with atrazine herbicide detection methods resulting in false positives if atrazine is actually below detection limits. Results include:

- A fluorometric detection system for optical brighteners (fabric whitening agents) has been designed and tested in a variety of small communities and a number of soil, bedrock, and groundwater environments throughout the southeastern Minnesota.
- 20 small communities and 109 individual sites were evaluated to confirm that selective filter media adsorption and solid phase fluorometry can detect very low levels of optical brighteners.
- The optical brightener screening method may be a useful adjunct to conventional sanitary drinking water supply testing parameters, but it is limited to qualitative assessment, i.e., present or not present.
- No conclusions were reached from investigations into whether certain optical brighteners with triazine structures interfere with atrazine herbicide detection methods causing false positive results if atrazine is below method detection limits.

Results and conclusions from this project have been published. Aspects of this study are being utilized by state and federally funded county studies of individual sewage treatment system impacts on subsurface waters.

Subd. 12 Wildlife, Fisheries, Plants:

Biological Control of Eurasian Watermilfoil and Purple Loosestrife - Continuation

(Laws 1993, Ch. 172, Sec. 14, Subd. 12(l))

Luke Skinner

MN Department of Natural Resources

(612) 297-3763

\$400,000 Appropriation - Environment and Natural Resources Trust Fund

Match required: \$200,000 for Eurasian watermilfoil.

This project investigated biological alternatives for control of the exotics: purple loosestrife and Eurasian watermilfoil. The project researched the effectiveness of insects and mycoherbicides (fungi) as control methods. The study objectives were as follows:

- Propagation, release and evaluation of three insect species for biological control of purple loosestrife, one weevil and two beetles.
- Development of mycoherbicides (fungi) to control purple loosestrife.
- Research the biology of Eurasian watermilfoil
- Evaluation of biological control agents for Eurasian watermilfoil, fungi and insects.

Results included:

- The leaf-eating beetles have been reared, established and have exhibited the greatest potential for survival in Minnesota as insect control of the loosestrife.
- 36 species of fungi were isolated on purple loosestrife plants sampled throughout Minnesota. Two fungi species revealed strong potential for utilization. Fungal applications on purple loosestrife were not successful in the final season of the 1993-95 biennium. Work remains to be completed to application of fungi to plants in the field and research will continue through the next biennium.
- Research into the Eurasian watermilfoil biology revealed 11 different genotype expressions across the state population. Clonal reproduction was found to be very important in Eurasian watermilfoil; in addition, the milfoil appeared to have very poor seed germination success and poor seedling survival rates.
- Research indicated that the weevil *Euhrychiopsis lecontei* is a specialist on watermilfoils and prefers Eurasian watermilfoil over northern watermilfoil.
- Weevils were found to reduce the survival rate of Eurasian watermilfoil over winter, and, therefore, reduce milfoil growth the following spring.

- The project found that weevils are unlikely to be vectors for organisms that are pathogens of Eurasian watermilfoil.
- This project was coordinated with Subd. 12(n) Integrated Control of Purple Loosestrife at the Department of Agriculture. This project is a continuation from the 1991-1993 biennium; ML 1991, Ch. 254, Sec. 14, Subd. 9(b) and is continued in ML 1995 Ch. 220, Sec. 19, Subd. 13(a).

Replacement of Eurasian Watermilfoil with Native Minnesota Plants

(Laws 1993, Ch. 172, Sec. 14, Subd. 12(m))

Edward F. Miller

White Bear Lake Conservation District

(612) 258-4023

\$40,000 Appropriation - Future Resources Fund

This project assessed the benefits and costs of replacing Eurasian watermilfoil with native Minnesota species of aquatic plants. The replacement procedure was presented on videotape for the education of those concerned with Minnesota's freshwater environments.

- After treatment with the 2,4 D chemical to kill the Eurasian watermilfoil, 24 quadrants were replanted over the dead milfoil with native Minnesota aquatic vegetation.
- The Eurasian watermilfoil was not displaced from the area, but was severely limited in its growth, as a variety of native plant species were able to dominate the quadrant areas once again.

Integrated Control of Purple Loosestrife

(Laws 1993, Ch. 172, Sec. 14, 12n)

Dharma Sreenivasam

MN - Department of Agriculture, Plant Protection Division

(612) 296-1350

\$90,000 Appropriation - Future Resources Fund

This project accelerated research into biological control alternatives for purple loosestrife in southeast Minnesota. Fungal pathogens and insect introductions were investigated.

- 4 watershed sites were selected for the insect and fungal investigations. Three species of insects were evaluated on the basis of single/multiple species introductions; introduced fungal pathogens as single/multiple applications; and finally combinations of insects and fungal pathogens.
- Geographic separation of study sites provided information in determining the best combination of ecological factors for successful introductions and establishment of biological control agents.
- This project is a cooperative effort involving county agriculture personnel, USDA researchers, U of M researchers, DNR and MDA.

Results included:

- The leaf beetles, *Galerucella* sp., overwintered successfully, but measurable feeding damage was not observed.
- The age of the loosestrife was shown to not affect the degree of susceptibility to pathogens. Storage was found to weaken the pathogenicity of the fungi cultures. *Alternaria alternata* and *Botrytis cinerea* were found to be the most promising candidates as future mycoherbicides. A superior liquid carrier was developed to increase the effectiveness of mycoherbicide use.
- This project was coordinated with Subd. 12(l) Biological Control of Eurasian Watermilfoil and Purple Loosestrife by the Department of Natural Resources.

Ecological Impacts of Releasing Genetically Engineered Fishes

(Laws 1993, Ch. 172, Sec. 14, Subd. 12(o))

Anne R. Kapuscinski

University of Minnesota

(612) 624-3019

\$175,000 Appropriation - Environment and Natural Resources Trust Fund

The University of Minnesota conducted laboratory experiments to measure ecologically important bioenergetic and behavioral traits of existing growth-enhanced, genetically engineered fishes (GEF's) and

related non-GEFs in an effort to advance ecological safety with GEF releases. The results were as follows:

- Transgenic northern pike (fish containing the growth hormone gene) should grow faster than non-transgenic northern pike.
- The transgenic northern pike should not require a higher intake of food to grow faster.
- More experimentation of transgenic fish is necessary to confirm the findings.
- Along with the laboratory work, the University of Minnesota, in cooperation with over 200 people from the aquatic biotechnology industry, research community, government oversight agencies, and environmental groups, developed the "Performance Standards for Safely Conducting Research with Genetically Modified Fish and Shellfish." The standards serve as a guide for decision making and risk assessment/reduction. The adoption of the standards is voluntary.

RE: Subpart of biennial report - Regular Budget Recommendations

MS 116P.09

Subd. 7. Report Required. The commission shall, by January 15 of each odd-numbered year, submit a report to the governor, the chairs of the house appropriations and senate finance committees, and the chairs of the house and senate committees on environment and natural resources. Copies of the report must be available the public. The report must include:

- (4) recommendations to implement successful projects and programs into a state agency's standard operations**

LCMR Recommendations for Incorporation of Projects into Regular Budget

The following recommendations are made with several caveats which are of distinct importance:

- (1) The dollar amount of the past appropriation is not part of the LCMR recommendation. Funding amounts should be reviewed against current needs and potential efficiencies and reallocations.
- (2) The specific program structure may need to change.
- (3) This recommendation does not necessarily mean the project should be a budget line item.
- (4) This recommendation does not include an increase in permanent agency staff. In most cases, reallocations should accommodate a changed focus.
- (5) The projects as experienced and reviewed by LCMR are well conceived and the results appear very useful.
- (6) The focus of these recommendations is the project outcomes, not the specific means or mechanisms. Various appropriation sources might be appropriate, not just the general fund.

CRITERIA: Two main criteria operate were used in the developing the recommendation in tandem or alone. Only the primary criterion is shown after the project title. For some projects, additional explanation follows the criterion.

Criterion A: *LCMR initiated a pilot project and results appear favorable for continuation as a regular function of state government.*

Criterion B: *A very similar program exists in state government, so this project should be handled by regular programs, with no special consideration.*

A description of the projects is located in the appendix of the 1997 Biennial Report.

Projects recommended include:

1995 Projects: ML 95 Ch 220 Section 19

- **Subd. 5(a) Local River Planning - Continuation, \$140,000, MN DNR**
- **Subd. 5(b) Cannon River Watershed Strategic Plan: Integrated Management, \$325,000, Cannon River Watershed Partnership**
- **Subd. 5(c) Tri-County Leech Lake Watershed Project, \$300,000, Cass County/Tri-County Leech Lake Watershed Partnership**
- **Subd. 5(d) Blufflands Landscape, \$630,000, MN DNR**
- **Subd. 5(q) Sustainable Grassland Conservation and Utilization, \$125,000, MN DNR**

Criterion A: These projects represent ways to conduct management on an ecosystem basis, where government provides some technical assistance and possibly some financial assistance. They represent an opportunity for DNR to change its institutional approach.

- **Subd. 5(l) Pathways to Sustainable Development, \$200,000, MN Environmental Quality Board (EQB)**

Criterion A: The 97 recommendation is a specific acceleration. The institutional approach should include ongoing efforts.

- **Subd. 5(o) Accelerated Native Grass and Forbs on Road Rights-of-Way, \$150,000, Interagency Roadside Committee/MN DNR**

Criterion A: LCMR supports the recent incorporation of this program into its budget base by MnDOT. The purposes are being served, regardless of the institutional home.

- **Subd. 5(p) Accelerate Landscape Management Activities in Whitewater Watershed, \$60,000, MN DNR**

Criterion A: This presents an opportunity for a real evolution in DNR budget and management. It is an example of reallocation to get the job done, free of the institutional blinders created by divisional and section lines of control. It also raises the question of budgetary motivation factors or lack thereof. Are savings that are created by efficiency in one area rewarded, or do savings from one area reallocate to other less efficient areas ?

- **Subd. 6(c) Sharing Environmental Education Knowledge, \$200,000, Office of Environmental Assistance/Environmental Education Advisory Board**
- **Subd. 6(b) Environmental Education Teacher Training, \$500,000, Office of Environmental Assistance/Environmental Education Advisory Board**

Criterion A.

- **Subd. 6(f) Environmental Action Grants for Minnesota Schools, \$200,000, St. Olaf College School Nature Area Project (SNAP)**

Criterion B: Broaden current state programs. The 1997 recommendation is a specific acceleration.

- **Subd. 7(a) Environmental Indicators Initiative, \$350,000, MN DNR**

Criterion A.

- **The following project is not recommended specifically, but rather the need for the project is an example of funding to be addressed. ML 95, First Special Session, Chapter 2, Art. 1, Sec. 5, Subd. 2, Cannon Valley Trail Repair, \$175,000, Cannon Valley Trail Association.**

Criterion A: This activity represents rehabilitation needs of previously funded capital improvement. An issue long avoided by both the agencies and legislature is long term maintenance and the associated fiscal tails. It seems logical that rehabilitation is a logical extension of original capital support. Thus, both state facilities and local or regionally operated facilities should be eligible for rehabilitation assistance. But, there seems little acknowledgment that ongoing maintenance is and will become a larger part of the overall effort. There are no or very low key institutional provisions for maintenance. This will detract from the quality of service originally intended. Efforts to upgrade maintenance will continue on a spotty basis, leading to inefficient and ineffective resource allocation. Questions raised include:

Should we establish a regular budget base for state trail rehabilitation? Should we establish a regular budget base for rehabilitation assistance to local and regional trail operators?

Obviously funding sources become an issue and user group desires vs. realities also cloud the prospects of regular funding sources.

- **Subd 6(g) Electronic Environmental Education Network, \$250,000, University of Minnesota, Raptor Center**

Criterion A: The Raptor Center needs a budget base in order to concentrate fund raising efforts on special accelerated projects.

1996 projects: ML 1996, Ch. 407, Sec. 8

- **Subd. 6(a) Public Internet Access to Data and Information, MN DNR/PCA, \$360,000**

Criterion A: There is a 1997 budget initiative to continue the work initiated. This project creates an opportunity to provide information, data and services in a free and accessible manner to the public and to better coordinate resources within and among government agencies.

1997 LCMR Proposal Recommendation Process

December 7, 1995
 December 10, 1995
 February 23, 1996
 April 30, 1996
 August 2, 1996

Strategic Plan Adopted by LCMR
 Request for Proposals distributed
 Deadline for submission of proposals, 441 received
 Decision to call in 157 proposals for hearing
 Allocation of 100 projects for \$36,656,000

Summary of Proposals Received/Recommended

Strategy	Received		Selected for Hearing		Recommended for Funding	
	#	\$\$	#	\$\$	#	\$\$
A Historic Sites	39	14,081,532	17	4,227,500	12	2,085,000
B Water Quality	53	18,852,459	15	6,886,000	8	2,170,000
C Agricultural Practices	22	10,513,379	7	3,866,400	5	1,435,000
D Pollution Prevention	4	787,000	2	347,000	2	315,000
E Impacts on Natural Resources	17	4,473,993	10	2,974,748	7	1,705,000
F Decisionmaking Tools	34	9,484,651	10	3,653,895	6	1,345,000
G Public Access to Natural Resource Data	11	3,630,063	6	2,768,283	4	1,000,000
H Sustainable Development Activities	33	10,339,430	11	4,503,724	8	1,905,000
I Environmental Education	74	17,835,183	12	3,949,600	8	1,920,000
J Benchmarks and Indicators	19	4,577,210	11	3,502,511	7	1,715,000
K Native Fish Species	5	646,800	3	381,800	2	286,000
L Land Acquisition in High Growth Areas	11	16,558,050	9	13,877,450	2	850,000
M Critical Lands or Habitats	41	26,179,743	22	16,239,854	17	7,305,000
N Wildlife or Trail Corridors	11	4,153,567	5	2,077,000	2	1,000,000
O Native Species Planting	19	3,876,197	4	980,007	3	470,000
P Exotic Species	10	1,486,483	4	755,659	3	450,000
Z1 Local Initiatives Grants Program	11	6,071,846	2	2,535,000	1	2,900,000
Z2 State and Metro Parks and Trails	18	32,069,618	4	20,343,000	2	7,000,000
Z3 Other proposals	9	4,136,515	3	1,300,000		
LCMR Administration					1	800,000
Totals	441	189,753,719	157	95,169,431	100	36,656,000

LCMR 1997 Recommended Projects

as of August 2, 1996

Funding Sources:

Environment and Natural Resources Trust Fund (TF)	20,950,000
Minnesota Future Resources Fund (FRF)	15,656,000
Great Lakes Protection Account (GL)	50,000
TOTAL	36,656,000

				CAC Rec.
Subd. 3 LCMR Administration	800,000	TF/FRF		
Subd. 4 Recreation	9,900,000			
4 (a) State Park & Recreation Area Acquisition, Development, Betterment & Rehab.	3,500,000	TF		
4 (b) Metropolitan Regional Park System	3,500,000	TF		
4 (c) Local Initiatives Grants Program	2,900,000	FRF		
Subd. 5 Historic Sites	2,085,000			
5 (a) Ft. Snelling State Park - Upper Bluff Utilization and AYH Hostel	250,000	TF		
5 (b) Protecting Rural Historic Landscapes in High Development Areas	80,000	TF		
5 (c) Jeffers Petroglyphs Environmental Assessment and Prairie Restoration	125,000	FRF		
5 (d) Mill Ruins Park Archaeological Investigation and Feasibility Study	75,000	FRF		
5 (e) Planning and Assessment of Small Historic Sites	200,000	FRF		
5 (f) Development of Birch Coulee State Historic Site	270,000	TF		
5 (g) Wendelin and Julianna Grimm Farm Restoration	200,000	FRF		
5 (h) White Oak Learning Center Environmental Awareness through History	125,000	FRF		
5 (i) Historical and Cultural Museum on Vermilion Lake Indian Reservation	100,000	FRF		
5 (j) Native American Perspective of the Historic North Shore	60,000	FRF		
5 (k) Children's Museum at Judy Garland Birthplace	200,000	FRF		
5 (l) Soudan Underground Physics Laboratory Expansion	400,000	FRF		
Subd. 6 Water Resources	2,170,000			
R 6 (a) On-Site Sewage Treatment Alternatives and Technology Transfer	500,000	FRF		
6 (b) Nitrate Education and Testing	150,000	TF		
6 (c) Snake River Watershed BMP's	100,000	FRF	CAC	
6 (d) Evaluation of Watershed-Based Watershed District Management	150,000	FRF		
6 (e) Red River Valley Planning and Management	375,000	TF	CAC	
6 (f) Sustainable Lake Plans	270,000	TF		
6 (g) Lakeshore Restoration - Minneapolis Chain of Lakes	300,000	TF		
R 6 (h) Atmospheric and Nonpoint Pollution Trends in Minnesota Lakes	325,000	TF		
Subd. 7 Agricultural Practices	1,435,000			
R 7 (a) Biological Control of Agricultural Pests	200,000	TF		
R 7 (b) Crop Management to Minimize Pesticide Inputs	300,000	TF	CAC	
7 (c) Sustainable Farming Systems	560,000	FRF	CAC	
7 (d) Prairie-Grassland Landscapes	125,000	FRF		
R 7 (e) Reducing Minnesota River Pollution from Lacustrine Soils	250,000	FRF		
Subd. 8 Pollution Prevention	315,000			
8 (a) Toxic Emissions from Fire Training	65,000	FRF	CAC	
8 (b) Pollution Prevention Training Program for Industrial Employees	250,000	FRF		

Subd. 9 Impacts on Natural Resources		1,705,000		
	9 (a) Grants to Local Governments to Assist Natural Resource Decision-Making	150,000	FRF	
	9 (b) Evaluation of Urban Growth Economic and Environmental Costs and Benefits	275,000	FRF	
	9 (c) Reinventing the Agricultural Land Preservation Program	100,000	FRF	
	9 (d) New Models for Land-Use Planning	530,000	TF	CAC
	9 (e) North Minneapolis Upper River Master Plan	300,000	FRF	
	9 (f) Preventing Stormwater Runoff Problems through Watershed Land Design	250,000	FRF	
	9 (g) Miller Creek Watershed Management	100,000	TF	
Subd. 10 Decision-Making Tools		1,345,000		
	10 (a) Comparative Risks of Multiple Chemical Exposures	150,000	FRF	
	10 (b) Metropolitan Area Groundwater Model	300,000	TF	
	10 (c) Wolf Management Plan	100,000	FRF	
	10 (d) Minnesota River Basin Natural Resource Data	250,000	TF	
	10 (e) Land Use Development and Natural Resource Protection Model	400,000	TF	
	10 (f) Statewide Digital Soil Database - Phase 1	145,000	FRF	
Subd. 11 Public Access to Natural Resource Data		1,000,000		
	11 (a) Foundations to Integrated Access to Environmental Information	600,000	FRF	
	11 (b) Electronic Access to Minnesota's National Register of Historic Places	150,000	TF	
	11 (c) Public Access to Archaeological Knowledge	200,000	FRF	
	11 (d) Search and Retrieval System for Natural Resource Data	50,000	FRF	
Subd. 12 Sustainable Development Activities		1,905,000		
	12 (a) Sustainable Development Assistance for Municipalities through Electric Utilities	250,000	FRF	
	12 (b) Renewable Energy Demonstration and Education in State Parks	230,000	TF	
R	12 (c) Alfalfa Biomass Production	200,000	FRF	
	12 (d) Sustainable Development of Wind Energy on Family Farms	200,000	FRF	
	12 (e) Connecting People and Places through Yellow Bikes	75,000	TF	
	12 (f) Sustainable Gardening for Minnesota Homes and Communities	400,000	FRF	
R	12 (g) Evaluate Riparian Forests for the Minnesota River	300,000	TF	
	12 (h) Economics for Lasting Progress	250,000	FRF	
Subd. 13 Environmental Education		1,920,000		
	13 (a) School Nature Area Project (SNAP)	250,000	TF	
R	13 (b) Watershed Science: Integrated Research and Education Program	500,000	FRF	
	13 (c) Minnesota Frog Watch	300,000	TF	
	13 (d) Environmental Service Learning Projects in Minneapolis Schools	100,000	FRF	
	13 (e) Partners in Accessible Recreation and Environmental Responsibility	550,000	TF	
	13 (f) Environmental Service Learning	100,000	TF	
	13 (g) State Wolf Management: Electronically Moderating the Public Discussion	100,000	TF/FRF	CAC
	13 (h) Catch and Release	20,000	FRF	
Subd. 14 Benchmarks and Indicators		1,715,000		
R	14 (a) Environmental Indicators Initiative - Continuation	250,000	TF	CAC
R	14 (b) Minnesota's Forest Bird Diversity Initiative: Continuation	350,000	TF	CAC
R	14 (c) Water Quality Indicators of Endocrine Disrupting Chemicals	250,000	TF	
R	14 (d) Stream Habitat Protection: Continuation	225,000	TF	
	14 (e) Wetland Ecosystems Monitoring	160,000	FRF	
R	14 (f) Loons: Indicators of Mercury in the Environment	230,000	TF	
	14 (g) Training and Research Vessel for Lake Superior	250,000	TF/GL	

Subd. 15 Native Fisheries		286,000		
R	15 (a) Improved Decisions for Walleye Stocking and Special Regulations	200,000	FRF	
R	15 (b) Minnesota Rare Mussel Conservation	86,000	FRF	CAC
Subd. 16 Land Acquisition in High Growth Areas		850,000		
	16 (a) Sand Dunes State Forest Acquisition	400,000	TF	CAC
	16 (b) Arboretum Land Acquisition	450,000	FRF	CAC
Subd. 17 Critical Lands or Habitats		7,305,000		
	17 (a) Sustainable Woodlands on Private Lands	875,000	FRF	CAC
	17 (b) Cannon River Watershed: Integrated Management	350,000	FRF	
	17 (c) Prairie Heritage Fund	500,000	TF	
	17 (d) Phalen Area Wetland Restoration, Phase II	400,000	TF	
	17 (e) Point Douglas Bluffland Acquisition	525,000	FRF	
	17 (f) Minnesota Point Protection	75,000	FRF	
	17 (g) Savanna Restoration for Sharptail Grouse	30,000	FRF	
	17 (h) RIM - Critical Habitat Acquisition and Enhancement	400,000	TF	CAC
	17 (i) RIM - Wildlife Habitat Stewardship	400,000	TF	
	17 (j) Scientific and Natural Area Acquisition	200,000	TF	CAC
	17 (k) RIM - Wildlife Habitat Acquisition	500,000	TF	
	17 (l) RIM - Accelerate Fisheries Acquisition	500,000	TF	
	17 (m) Minnesota County Biological Survey - Continuation	1,170,000	TF	CAC
R	17 (n) Peatland Restoration	275,000	FRF	
	17 (o) Fishing Pier and Public Shore Access	355,000	TF	CAC
	17 (p) Public Boat Access	350,000	TF	
	17 (q) Fisheries Statewide Hatchery Rehabilitation	400,000	TF	
Subd. 18 Wildlife or Trail Corridors		1,000,000		
	18 (a) Mesabi Trail Land Acquisition and Development	600,000	FRF	
	18 (b) Chippewa County Regional Trail	400,000	FRF	
Subd. 19 Native Species Planting		470,000		
	19 (a) Minnesota Releaf Tree Planting and Preservation Grant Program	300,000	FRF	CAC
R	19 (b) Restoring White Pine in the Minnesota Landscape	120,000	TF	CAC
	19 (c) Prairie and Oak Savanna Restoration	50,000	FRF	
Subd. 20 Exotic Species		450,000		
	20 (a) Ballast Water Technology Demonstration for Exotic Species Control	200,000	FRF	CAC
R	20 (b) Biological Control of Eurasian Watermilfoil & Purple Loosestrife - Continuation	150,000	TF	CAC
R	20 (c) Control of Weeds in Native Wild Rice	100,000	FRF	
Subd. 21 Data Availability Requirements				
Subd. 22 Project Requirements				
Subd. 23 Match Requirements				
Subd. 24 Payment Conditions and Capital Equipment Expenditures				
Subd. 25 Purchase of Recycled and Recyclable Materials				
Subd. 26 Carryforward				
Subd. 27 Energy Conservation				
Subd. 28 Special Conditions				
Section 2 Time Extensions				
Section 3 ISTEA Enhancement Money				

R denotes the 19 research projects that have been peer reviewed as required by M.S. 116P.08, Subd. 6. The reviews were conducted by a 14-member scientific panel of experts providing both regional and national perspectives.

DRAFT

Note: The LCMR will adjust the following recommendations to equal the February 1997 revenue forecast.

SECTION 1

MINNESOTA RESOURCES

Subdivision 1. Total Appropriation \$36,656,000

Summary by Fund

Minnesota Future Resources Fund \$15,656,000

Environment and Natural Resources Trust Fund \$20,950,000

Great Lakes Protection Account \$50,000

Unless otherwise provided, the amounts in this section are available until June 30, 1999, when projects must be completed and final products delivered.

Subd. 2. Definitions

(a) "Future resources fund" means the Minnesota future resources fund referred to in Minnesota Statutes, section 116P.13.

(b) "Trust fund" means the Minnesota environment and natural resources trust fund referred to in Minnesota Statutes, section 116P.02, subdivision 6.

(c) "Great lakes protection account" means the account referred to in Minnesota Statutes, section 116Q.02.

Subd. 3. Legislative Commission on Minnesota Resources \$800,000

\$330,000 of this appropriation is from the future resources fund and \$470,000 is from the trust fund, pursuant to Minnesota Statutes, section 116P.09, subdivision 5.

SUBD. 4 RECREATION

(a) State Park and Recreation Area Acquisition, Development, Betterment, and Rehabilitation \$3,500,000

This appropriation is from the trust fund to the commissioner of natural resources as follows: (1) for state park and recreation area acquisition, \$2,500,000; (2) for state park and recreation area development, rehabilitation, and resource management, \$1,000,000, unless otherwise specified in the approved workprogram. The use of the Minnesota conservation corps is encouraged. The commissioner must submit grant requests for supplemental funding for federal ISTEAs in eligible categories and report the results to the legislative commission on Minnesota resources. This project must be completed and final products delivered by June 30, 2000, and the appropriation is available until that date.

(b) Metropolitan Regional Park System \$3,500,000

This appropriation is from the trust fund for payment by the commissioner of natural resources to the metropolitan council for subgrants for acquisition, development and rehabilitation in the metropolitan regional park system consistent with the metropolitan council regional recreation open space capital improvement plan. This appropriation may be used for the purchase of homes only if the purchases are expressly included in the work program approved by the legislative commission on Minnesota resources. The metropolitan council shall collect and digitize all local, regional, state and federal parks and all off road trails with connecting on road routes for the Metropolitan area and produce a printed map. This project must be completed and final products delivered by June 30, 2000, and the appropriation is available until that date.

(c) Local Initiatives Grants Program \$2,900,000

This appropriation is from the future resources fund to the commissioner of natural resources to provide matching grants, as follows: (1) \$600,000 to local units of government for local park and recreation areas pursuant to Minnesota statutes, section 85.019. \$50,000 of the appropriation is to complete the Larue public water access. (2) \$600,000 to local units of government for natural and scenic areas pursuant to Minnesota Statutes, section 85.019; (3) \$900,000 for trail grants to local units of government on land to be maintained for at least 20 years for the purposes of the grant; \$200,000 is for grants of up to \$50,000 per project for trail linkages between communities, trails, and parks and \$700,000 is for grants of up to \$250,000 for locally funded trails of regional significance; and (4) \$600,000 for a statewide conservation partners program, to encourage private organizations and local governments to cost share improvement of fish, wildlife, and native plant habitats and research and surveys of fish and wildlife. Conservation partners grants may be up to \$10,000 each. (5) \$200,000 for environmental partnerships program grants of up to \$10,000 each for environmental service projects and related education activities through public and private partnerships.

In addition to the required work program, grants may not be approved until grant proposals to be funded have been submitted to the legislative commission on Minnesota resources and the commission has approved the grants or allowed 60 days to pass. The above appropriations, in combination, are available half for the metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2, and half for outside of the metropolitan area. For the purpose of this paragraph, match must be nonstate contributions, but may be either cash or in-kind. This project must be completed and final products delivered by June 30, 2000, and the appropriation is available until that date.

SUBD. 5 HISTORIC SITES

(a) Ft. Snelling State Park - Upper Bluff Utilization and AYH Hostel \$250,000

This appropriation is from the trust fund to the commissioner of natural resources for a cooperative project with Hostelling International and community cooperators to develop a conceptual utilization plan for the Upper Bluff Area, assess buildings for potential

hostel use, and complete the design and construction documents for a building or buildings for future renovation as a hostel. This appropriation must be matched by at least \$20,000 of nonstate money.

(b) Protecting Rural Historic Landscapes in High Development Areas \$80,000

This appropriation is from the trust fund to the Minnesota Historical Society to document resources and prepare a management plan for historical agricultural landscapes in the St. Cloud-Rochester growth corridor.

(c) Jeffers Petroglyphs Environmental Assessment and Prairie Restoration \$125,000

This appropriation is from the future resources fund to the Minnesota Historical Society to establish an environmental monitoring program and assess environmental effects on the petroglyphs and restore native prairie to parts of this state site.

(d) Mill Ruins Park Archaeological Investigation and Feasibility Study \$75,000

This appropriation is from the future resources fund to the Minnesota Historical Society for an agreement with the Minneapolis Park and Recreation Board for archaeological investigations of the 19th-century mills along the central river front to assess the feasibility of developing an interpretive park. This appropriation must be matched by at least \$75,000 of nonstate money.

(e) Planning and Assessment of Small Historic Sites \$200,000

This appropriation is from the future resources fund to the Minnesota Historical Society for the development of master plans and archaeological reconnaissance at the Comstock House, Folsom House, Mayo House, and Harkin Store state historic sites.

(f) Development of Birch Coulee State Historic Site \$270,000

This appropriation is from the trust fund to the Minnesota Historical Society to improve public access to the state historic site at Birch Coulee, with self-guided trails, interpretive markers, and basic visitor amenities.

(g) Wendelin and Julianna Grimm Farm Restoration \$200,000

This appropriation is from the future resources fund to the Minnesota Historical Society for an agreement with Hennepin Parks to begin to stabilize and restore the Grimm Farm. This appropriation must be matched by at least \$200,000 of nonstate money.

(h) White Oak Learning Center Environmental Awareness through History \$125,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the White Oak Society, Inc., to create an education program integrating environmental education into historical, cultural, and social contexts.

(i) Historical and Cultural Museum on Vermilion Lake Indian Reservation \$100,000

This appropriation is from the future resources fund to the Minnesota Historical Society resources for an agreement with Bois Forte Reservation to design and construct a historical museum for cultural interpretation adjacent to an historic gold mine and fur trade post on Lake Vermilion. As an additional condition of acceptance of this

appropriation, this facility may not be used for any form of gambling or the promotion of gambling. This appropriation must be matched by at least \$100,000 of nonstate money.

(j) Native American Perspective of the Historic North Shore \$60,000

This appropriation is from the future resources to the Minnesota Historical Society for an agreement with the Sugarloaf Interpretive Center Association for an interpretive study of Native Americans on the North Shore of Lake Superior in cooperation with Native American bands. This appropriation must be matched by at least \$30,000 of nonstate money.

(k) Children's Museum at Judy Garland Birthplace \$200,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the Judy Garland Children's Museum to assist in the design and construction of a children's museum. This appropriation must be matched by at least \$1,275,000 of nonstate money committed by June 30, 1998.

(l) Soudan Underground Physics Laboratory Expansion \$400,000

This appropriation is from the future resources fund to the University of Minnesota to assist in the construction of the Soudan Mine facilities for scientific interpretation.

SUBD. 6 WATER RESOURCES

(a) On-Site Sewage Treatment Alternatives and Technology Transfer \$500,000

This appropriation is from the future resources fund to the pollution control agency for the second biennium to evaluate alternative on-site sewage treatment systems for cost-effective removal of pathogenic bacteria, viruses and nutrients.

(b) Nitrate Education and Testing \$150,000

This appropriation is from the trust fund to the commissioner of agriculture to accelerate knowledge of nitrate levels in private drinking water supplies through development of water testing clinics for rural well owners and education programs. This appropriation must be matched by at least \$50,000 from the agriculture fertilizer inspection account.

(c) Snake River Watershed BMPS \$100,000

This appropriation is from the future resources fund to the board of water and soil resources for an agreement with the Snake River Watershed Management Board to accelerate the implementation of the 1996 Snake River Watershed Management Plan.

(d) Evaluation of Watershed Based Watershed District Management \$150,000

This appropriation is from the future resources fund to the board of water and soil resources for an agreement with the Minnesota Association of Watershed Districts to evaluate the effectiveness of water quality management by watershed districts. This appropriation must be matched by at least \$75,000 of nonstate money.

(e) Red River Valley Planning and Management \$375,000

This appropriation is from the trust fund to the pollution control agency to create an ecosystem management plan for the Red River Valley, integrating land and water

basin management strategies in cooperation with interstate and international organizations.

(f) Sustainable Lake Plans \$270,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with the Minnesota Lakes Association to develop education programs and a comprehensive lake plan in each of the state's five lake regions.

(g) Lakeshore Restoration - Minneapolis Chain of Lakes \$300,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with the Minneapolis Park and Recreation Board to restore native plants on lake shores of the chain of lakes to improve water quality, wildlife habitat, and decrease erosion. This appropriation must be matched by at least \$150,000 of nonstate money.

(h) Atmospheric and Nonpoint Pollution Trends in Minnesota Lakes \$325,000

This appropriation is from the trust fund to the pollution control agency to document geographic and historic trends in lake eutrophication and inputs of toxic metals and organic pollutants from land-use impacts and atmospheric sources. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program

SUBD. 7 AGRICULTURAL PRACTICES

(a) Biological Control of Agricultural Pests \$200,000

This appropriation is from the trust fund to the university of Minnesota to accelerate using biological control of pests in agricultural production systems. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(b) Crop Management to Minimize Pesticide Inputs \$300,000

This appropriation is from the trust fund to the university of Minnesota to develop non-pesticide management strategies for pest control for crops.

(c) Sustainable Farming Systems \$560,000

This appropriation is from the future resources fund to the university of Minnesota for a comprehensive program of complementary on-farm and experiment station research, demonstration and educational activities about the economic and environmental effects of sustainable farming systems.

(d) Prairie-Grassland Landscapes \$125,000

This appropriation is from the future resources fund to the commissioner of natural resources for the second biennium to implement grassland ecosystem stewardship activities in the Glacial Lake Agassiz Interbeach area in cooperation with the resource conservation and development councils.

(e) Reducing Minnesota River Pollution from Lacustrine Soils \$250,000

This appropriation is from the future resources fund to the commissioner of agriculture in cooperation with the university of Minnesota for the second biennium to research the impact of farming systems utilizing crop residue for sediment control on lacustrine landscapes in the Minnesota River Basin.

SUBD. 8 POLLUTION PREVENTION

(a) Toxic Emissions From Fire Training \$65,000

This appropriation is from the future resources fund to metropolitan state university to identify and quantify toxic emissions from live burn training in acquired structures to evaluate and propose alternatives. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program

(b) Pollution Prevention Training Program for Industrial Employees \$250,000

This appropriation is from the future resources fund to the director of the office of environmental assistance for agreements with Citizens for a Better Environment and the university of Minnesota to provide the training and technical assistance needed for pollution prevention by industrial employees.

SUBD. 9 IMPACTS ON NATURAL RESOURCES

(a) Grants to Local Governments to Assist Natural Resource Decision-Making \$150,000

This appropriation is from the future resources fund to the board of water and soil resources for matching grants to local governments to help enable incorporation of impacts on natural resources into local decision making.

(b) Evaluation of Urban Growth Economic and Environmental Costs and Benefits \$275,000

This appropriation is from the future resources fund to the director of the office of strategic and long range planning for an agreement with Minnesotans for an Energy-Efficient Economy to evaluate the benefits, costs, and environmental impacts of alternative urban and rural growth patterns.

(c) Reinventing the Agricultural Land Preservation Program \$100,000

This appropriation is from the future resources fund to the commissioner of agriculture to evaluate the effectiveness of Minnesota's agricultural land preservation programs, and identify and quantify fiscal impacts of rural sprawl. This appropriation must be matched by at least \$100,000 of nonstate money or money from the Minnesota conservation fund.

(d) New Models for Land-Use Planning \$530,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with the Land Stewardship Project for planning, inventory, technical assistance and education addressing voluntary easements, purchase and transfer of development rights to create a protected green corridor in Washington and Chisago

counties. Up to \$30,000 is to provide training in adapting holistic resource management concepts and principles for decision-making in land use planning.

(e) North Minneapolis Upper River Master Plan \$300,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the Minneapolis Park and Recreation Board to develop a master plan addressing greenspace and trail development, riverbank restoration, and stimulation of river-oriented land uses within a corridor along the east and west banks of the Mississippi River from Plymouth Avenue north to the Minneapolis city limits. This appropriation must be matched by at least \$100,000 of nonstate money.

(f) Preventing Stormwater Runoff Problems through Watershed Land Design \$250,000

This appropriation is from the future resources fund to the university of Minnesota to develop watershed-based land design models for preserving habitat and traditional patterns, and preventing flooding and water quality degradation.

(g) Miller Creek Management \$100,000

This appropriation is from the trust fund to the board of water and soil resources for agreements with the Miller Creek Task Force and the natural resources research institute. At least \$75,000 of this appropriation is to the Miller Creek Task Force to implement water quality improvement activities on Miller Creek and must be matched by at least \$50,000 of nonstate money. Up to \$25,000 is for an agreement with the natural resources research institute for research activities and an additional \$25,000 of activity must be provided by the natural resources research institute or be provided by other sources. This appropriation is contingent on the formation of a watershed district or a joint powers agreement.

SUBD. 10 DECISION-MAKING TOOLS

(a) Comparative Risks of Multiple Chemical Exposures \$150,000

This appropriation is from the future resources fund to the commissioner of health to develop comparative risk information for managing exposures to multiple environmental hazards from measurements of pesticides, volatile organic compounds, and metals in soil, air, water and food.

(b) Metropolitan Area Groundwater Model \$300,000

This appropriation is from the trust fund to the pollution control agency for the second biennium to improve and refine the metropolitan groundwater model to improve contaminant tracking, cleanup evaluation, and overall protection of groundwater resources.

(c) Wolf Management Plan \$100,000

This appropriation is from the future resources fund to the commissioner of natural resources to develop a management plan for Minnesota wolves if the Eastern Timberwolf is removed from the federal endangered species list.

(d) Minnesota River Basin Natural Resource Data \$250,000

This appropriation is from the trust fund to Mankato State University in cooperation with the Minnesota River Basin Joint Powers Board to prepare geographic information system data sets for the 1208 minor watersheds, provide Internet access to the data, and outreach training. This appropriation must be matched by at least \$100,000 of nonstate money.

(e) Land Use Development and Natural Resource Protection Model \$400,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with the city of Winona to develop a geographic information system implementation tool to assist in the evaluation of natural resource protection in land use decision making by local governments. This appropriation must be matched by at least \$88,000 of nonstate money.

(f) Statewide Digital Soil Database-Phase 1 \$145,000

This appropriation is from the future resources fund to the board of water and soil resources for the first biennium for a pilot program to investigate methods to digitize data from older soil surveys and to coordinate soil survey digitizing in at least one county on a fifty percent cost share basis. Up to \$30,000 of this appropriation is for digitization and must be matched by nonstate money by April 30, 1999.

SUBD. 11 PUBLIC ACCESS TO NATURAL RESOURCE DATA

(a) Foundations for Integrated Access to Environmental Information \$600,000

This appropriation is from the future resources fund to director of the office of strategic and long range planning for a collaborative effort among natural resource agencies to design, develop and test a solution to provide integrated electronic access to environmental and natural resource information and data accessible and free to the public unless declared as private under the Data Practices Act.

(b) Electronic Access to Minnesota's National Register of Historic Places \$150,000

This appropriation is from the trust fund to the Minnesota Historical Society to update and provide public electronic access to information about Minnesota's National Register properties.

(c) Public Access to Archaeological Knowledge \$200,000

This appropriation is from the future resources fund to the Minnesota Historical Society for an agreement with the Institute for Minnesota Archaeology to enhance and provide public electronic access to previously public funded regional archaeological data.

(d) Search and Retrieval System for Natural Resource Data \$50,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with Izaak Walton League, John McCabe Chapter, to design and field test a natural resource data search and retrieval system. This appropriation must be matched with at least \$50,000 of nonstate money.

SUBD. 12 SUSTAINABLE DEVELOPMENT ACTIVITIES

(a) Sustainable Development Assistance for Municipalities through Electric Utilities \$250,000

This appropriation is from the future resources fund to the commissioner of administration for an agreement with the Minnesota Municipal Utilities Association to provide decision-making tools, technical information, and expert assistance to advance sustainable renewable energy and energy efficiency developments and implement demonstration projects in at least four communities. This appropriation must be matched by at least \$250,000 in nonstate money.

(b) Renewable Energy Demonstration and Education in State Parks \$230,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with the Center for Energy and Environment to demonstrate cost-effective applications of renewable energy technologies in state parks by developing technology selection guidelines; installing projects in state parks; and providing public renewable energy education. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(c) Alfalfa Biomass Production \$200,000

This appropriation is from the future resources fund to the university of Minnesota for the evaluation of the environmental impacts and benefits of the production of alfalfa for electrical power generation. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(d) Sustainable Development of Wind Energy on Family Farms \$200,000

This appropriation is from the future resources fund to commissioner of administration for an agreement with the Sustainable Resources Center for the second biennium to provide technical assistance, wind assessment and technology transfer for the development of wind energy harvesting.

(e) Connecting People and Places through Yellow Bikes \$75,000

This appropriation is from the trust fund to the office of environmental assistance for an agreement with the Yellow Bike Coalition to expand and develop a bicycle recycling and transportation program in at least three cities.

(f) Sustainable Gardening for Minnesota Homes and Communities \$400,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the Sustainable Resources Center for the fifth biennium to accelerate community garden programs through technical assistance to encourage ecologically-sound landscape plantings and maintenance. Up to \$60,000 is to provide a link between sustainable agriculture farmers and urban consumers.

(g) Evaluate Riparian Forests for the Minnesota River \$300,000

This appropriation is from the trust fund. \$80,000 is to the commissioner of natural resources, \$210,000 is to the university of Minnesota, and \$10,000 is to the

commissioner of agriculture to evaluate the impact of planting trees on sensitive riparian lands. This appropriation must be spent in cooperation with the Minnesota River Basin Joint Powers Board. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(h) Economics for Lasting Progress \$250,000

This appropriation is from the future resources fund to the director of the office of strategic and long range planning for an assessment of how economic indicators and policies reward or discourage pollution, employment, and sustainable resource use in Minnesota.

SUBD. 13 ENVIRONMENTAL EDUCATION

(a) School Nature Area Project (SNAP) \$250,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with St. Olaf College for the second biennium to accelerate partnerships between institutions of higher education and schools to develop school nature areas, and demonstrate methods of ecological enhancement for integration into school curriculum.

(b) Watershed Science: Integrated Research and Education Program \$500,000

This appropriation is from the future resources fund to the Science Museum of Minnesota to establish a long-term monitoring program for the Valley Creek watershed, develop a public geographic information system laboratory, and watershed science education programs.

(c) Minnesota Frog Watch \$300,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with the Center for Global Environmental Education, Hamline University, for the second biennium to accelerate the Minnesota frog watch environmental education and monitoring program for youth and families in formal and non-formal education settings. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(d) Environmental Service Learning Projects in Minneapolis Schools \$100,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with Eco Education to provide training and minigrants for student service learning projects. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(e) Partners in Accessible Recreation and Environmental Responsibility \$550,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with Wilderness Inquiry for the second biennium to provide a statewide

program of environmental education, outdoor recreation, and inclusion of people with disabilities and other minority groups.

(f) Environmental Service Learning \$100,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with Stowe Environmental Elementary School to develop a partnership of schools, communities, and agencies for environmental service learning projects.

(g) State Wolf Management: Electronically Moderating the Public Discussion \$100,000

\$75,000 of this appropriation is from the trust fund and \$25,000 is from the future resources fund to the commissioner of natural resources for an agreement with the International Wolf Center to provide a public electronic forum and information on wolf management. This appropriation must be matched by at least \$20,000 of nonstate money

(h) Catch and Release \$20,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the Rainy Lake Sportfishing Club to accelerate its catch and release program. This appropriation must be matched by at least \$10,000 of nonstate contributions, either cash or in-kind.

SUBD. 14 BENCHMARKS AND INDICATORS

(a) Environmental Indicators Initiative-Continuation \$250,000

This appropriation is from the trust fund to the commissioner of natural resources for the second biennium of a three biennium project to create a statewide framework for selecting and monitoring environmental indicators to assess and communicate Minnesota's environmental health status and trends.

(b) Minnesota's Forest Bird Diversity Initiative: Continuation \$350,000

This appropriation is from the trust fund to the commissioner of natural resources for the fourth biennium of a six-biennium project for a comprehensive monitoring and research program that develops management tools to maintain forest bird diversity. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(c) Water Quality Indicators of Endocrine Disrupting Chemicals \$250,000

This appropriation is from the trust fund to the pollution control agency to monitor and research the effects of endocrine disrupting chemicals in surface waters on fish and wildlife through analysis of biological effects and water chemistry.

(d) Stream Habitat Protection: Continuation \$225,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate the stream flow protection program for the third biennium of a proposed eight-biennium effort to establish a watershed level stream habitat database and develop the tools to set protected flows for ecosystem diversity. This appropriation is

available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(e) Wetland Ecosystems Monitoring \$160,000

This appropriation is from the future resources fund to the University of Minnesota to monitor wetland restorations for their ecological success and develop a long term monitoring data base.

(f) Loons: Indicators of Mercury in the Environment \$230,000

This appropriation is from the trust fund to the university of Minnesota to analyze loon exposure to mercury and its effects on loon health and reproduction in the wild.

(g) Training and Research Vessel for Lake Superior \$250,000

\$200,000 of this appropriation is from the trust fund and \$50,000 of this appropriation is from the Great Lakes protection account to the university of Minnesota - Duluth to purchase a vessel for training and research on Lake Superior. This appropriation must be matched by at least \$250,000 of nonstate money. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

SUBD. 15 NATIVE FISHERIES

(a) Improved Decisions for Walleye Stocking and Special Regulations \$200,000

This appropriation is from the future resources fund to the university of Minnesota to evaluate outcomes of various stocking and harvest strategies through modeling and genetic-marker tracking of the best performing strains to maximize benefits of walleye stocking and harvest regulations on individual lakes. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(b) Minnesota Rare Mussel Conservation \$86,000

This appropriation is from the future resources fund to the University of Minnesota to establish and monitor refugia in the St. Croix River to improve freshwater mussel conservation.

SUBD. 16 LAND ACQUISITION IN HIGH GROWTH AREAS

(a) Sand Dunes State Forest Acquisition \$400,000

This appropriation is from the trust fund to the commissioner of natural resources to acquire approximately 200 acres of lands within the Sand Dunes State Forest, according to the Cambridge area forest resource management plan.

(b) Arboretum Land Acquisition \$450,000

This appropriation is from the future resources fund to the university of Minnesota for a grant to the University of Minnesota Landscape Arboretum Foundation for the second biennium for land acquisition to expand the boundary of the Minnesota Landscape

Arboretum. This appropriation must be matched by at least \$450,000 of nonstate money

SUBD. 17 CRITICAL LANDS OR HABITATS

(a) Sustainable Woodlands On Private Lands \$875,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the Minnesota Forestry Association to develop stewardship plans for private landowners and implement natural resource projects by providing matching money to private landowners.

(b) Cannon River Watershed: Integrated Management \$350,000

This appropriation is from the future resources fund to the board of water and soil resources for an agreement with the Cannon River Watershed Partnership for the third biennium to implement activities in the Cannon River watershed through easements, matching grants, and technical assistance.

(c) Prairie Heritage Project \$500,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with Pheasants Forever, Inc. to acquire and develop land for prairie grasslands and wetlands to be donated to the public. The land must be open and accessible to the public. This appropriation must be matched by at least \$500,000 of nonstate money. In addition to the required work program, parcels may not be acquired until parcel lists have been submitted to the legislative commission on Minnesota resources and the commission has approved the parcel list or allowed 60 days to pass.

(d) Phalen Area Wetland Restoration, Phase II \$400,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with the city of St. Paul for design, pre and post construction monitoring, and construction of approximately nine acres of wetland.

(e) Point Douglas Bluffland Acquisition \$525,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the Carpenter St. Croix Valley Nature Center to purchase approximately 125 acres of blufflands in the Mississippi and St. Croix riverways. The land must be open and accessible to the public. The nature center must provide that the property will forfeit to the state if the property ceases to be used as a nature center that is open and accessible to the public. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(f) Minnesota Point Protection \$75,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with Park Point Community Club for administrative and management expenses to secure the protection of the old growth stands and bird sanctuary at Minnesota Point in Duluth.

(g) Savanna Restoration for Sharptail Grouse \$30,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the Minnesota Sharp-tailed Grouse Society to identify and inventory restorable northern savannas for sharptail grouse habitat.

(h) RIM - Critical Habitat Acquisition and Enhancement \$400,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate the reinvest in Minnesota program activities authorized under Minnesota Statutes, section 84.943. Projects must occur in both urban and rural areas. Retroactive reimbursement for the greening the great river park project is authorized.

(i) RIM - Wildlife Habitat Stewardship \$400,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate the reinvest in Minnesota program to improve wildlife habitat and natural plant communities statewide on public lands, both urban and rural, to protect and enhance wildlife, native plant species, and ecological diversity.

(j) Scientific and Natural Area Acquisition \$200,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate the acquisition of land for scientific and natural areas under Minnesota Statutes, section 84.033.

(k) RIM - Wildlife Habitat Acquisition \$500,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate acquisition of North American waterfowl management plan wetlands and associated uplands on a cost-share basis and wildlife habitat in areas of high population growth.

(l) RIM - Accelerate Fisheries Acquisition \$500,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate the reinvest in Minnesota program to acquire land adjacent to lakes and streams to provide for angler and management access or protection of critical riparian habitat, including access for non-boat owners and urban users. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program .

(m) Minnesota County Biological Survey-Continuation \$1,170,000

This appropriation is from the trust fund to the commissioner of natural resources for the sixth biennium of a proposed 12-biennium project to accelerate the county biological survey for the systematic collection, interpretation, and distribution of data on the ecology of rare plants, animals, and natural communities.

(n) Peatland Restoration \$275,000

This appropriation is from the future resources fund to the university of Minnesota - Duluth, natural resources research institute, to promote re-establishment of diverse, sustainable peatland ecosystems on harvested peatland sites, through accelerated development of cost effective, reliable peatland restoration techniques.

(o) Fishing Pier and Public Shore Access \$355,000

This appropriation is from the trust fund to the commissioner of natural resources to provide increased access to lakes and rivers statewide through the provision of fishing piers and shoreline access.

(p) Public Boat Access \$350,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate public water access acquisition and development statewide.

(q) Fisheries Statewide Hatchery Rehabilitation \$400,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate the reinvest in Minnesota program to implement projects to maintain and improve statewide fish culture facilities. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

SUBD. 18 WILDLIFE OR TRAIL CORRIDORS

(a) Mesabi Trail Land Acquisition and Development \$600,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the St. Louis and Lake Counties Regional Rail Authority for the third biennium to develop and acquire segments of the Mesabi trail. This appropriation must be matched by at least \$600,000 of nonstate money. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified on the work program.

(b) Chippewa County Regional Trail \$400,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the city of Montevideo for the second biennium to complete the construction of the Chippewa County trail system in Montevideo. This appropriation must be matched by at least \$400,000 of nonstate money. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified on the work program.

SUBD. 19 NATIVE SPECIES PLANTING

(a) Minnesota Releaf Tree Planting and Preservation Grant Program \$300,000

This appropriation is from the future resources fund to the commissioner of natural resources for the third biennium for matching grants to local communities to plant predominantly native trees and protect native oak forests from oak wilt.

(b) Restoring White Pine in the Minnesota Landscape \$120,000

This appropriation is from the trust fund to the university of Minnesota to investigate factors currently limiting establishment of white pine seedlings in various forest cover

types. Management recommendations for natural regeneration, seeding, and planting must be developed.

(c) Prairie and Oak Savanna Restoration \$50,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the St. Paul Audubon Society to restore natural areas of sites in at least two parks that have residual prairie and oak savanna areas.

SUBD. 20 EXOTIC SPECIES

(a) Ballast Water Technology Demonstration for Exotic Species Control \$200,000

This appropriation is from the future resources fund to the commissioner of natural resources for a demonstration project in cooperation with the Duluth Port Authority to test, evaluate, and refine techniques for preventing the introduction and dispersal of exotic species from ballast water into Lake Superior.

(b) Biological Control of Eurasian Watermilfoil and Purple Loosestrife-Continuation \$150,000

This appropriation is from the trust fund to the commissioner of natural resources for the third biennium of a five-biennium project to develop biological controls for Eurasian water milfoil and purple loosestrife. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(c) Control of Weeds in Native Wild Rice \$100,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with Bois Forte Reservation for a Nett Lake biocontrol study to remove exotic and nuisance weeds from a wild rice lake. Any release of organisms must be in compliance with state and federal permits. This appropriation must be matched by at least \$100,000 of nonstate money. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

SUBD. 21 DATA AVAILABILITY REQUIREMENTS

During the biennium ending June 30, 1999, the data collected by the projects funded under this section that have common value for natural resource planning and management must conform to information architecture as defined in guidelines and standards adopted by the information policy office and government information access council.

SUBD. 22 PROJECT REQUIREMENTS

It is a condition of acceptance of the appropriations in this section that any agency or entity receiving the appropriation must comply with Minnesota Statutes, chapter 116P.

SUBD. 23 MATCH REQUIREMENTS

Unless specifically authorized, appropriations in this section that must be matched and for which the match has not been committed by January 1, 1998, are canceled, and in-kind contributions may not be counted as match.

SUBD. 24 PAYMENT CONDITIONS AND CAPITAL EQUIPMENT EXPENDITURES

All agreements, grants, or contracts referred to in this section must be administered on a reimbursement basis. Notwithstanding Minnesota statutes, section 16A.41, expenditures made on or after July 1, 1997, or the date the work program is approved, whichever is later, are eligible for reimbursement. Payment must be made upon receiving documentation that project eligible reimbursable amounts have been expended, except that reasonable amounts may be advanced to projects in order to accommodate cash flow needs. The advances must be approved as part of the work program. No expenditures for capital equipment are allowed unless expressly authorized in the project work program.

SUBD. 25 PURCHASE OF RECYCLED AND RECYCLABLE MATERIALS

A political subdivision, public or private corporation, or other entity that receives an appropriation in this section must use the appropriation in compliance with Minnesota Statutes, sections 16B.121 to 16B.123, requiring the purchase of recycled, repairable, and durable materials, the purchase of uncoated paper stock, and the use of soy-based ink, the same as if it were a state agency.

SUBD. 26 CARRYFORWARD

(a) The availability of the appropriations for the following projects is extended to June 30, 1998: Laws 1996, chapter 407, section 8, subdivision 3, paragraph (c), local grants; Laws 1995, chapter 220, section 19, subdivision 4, paragraph (e), local grants; subdivision 5, paragraph (f), atmospheric mercury emissions, deposition and environmental cost evaluation; subdivision 6, paragraph (b), environmental education teacher training, and paragraph (g), electronic environmental education network; subdivision 7, paragraph (f), completion of statewide land use update, paragraph (g), Fillmore county soil survey update, paragraph (j), microbial deterioration of asphalt materials and prevention, and paragraph (k), analysis of lands enrolled in conservation reserve program; subdivision 8, paragraph (a), urban wildlife habitat program; subdivision 11, paragraph (e), energy improvements in public ice arenas;

(b) The availability of the appropriation for the following projects is extended to June 30, 1999: Laws 1995, chapter 220, section 19, subdivision 4, paragraph (a), metropolitan regional park system; Laws 1994, chapter 632, article 2, section 6, Silver Bay harbor; and Laws 1993, chapter 172, section 14, subdivision 10, paragraph (o), Lake Superior safe harbors-continuation.

SUBD. 27 ENERGY CONSERVATION

A recipient to whom an appropriation is made in this section for a capital improvement project shall ensure that the project complies with the applicable energy conservation standards contained in law, including Minnesota Statutes, sections 216C.19 to 216C.21, and rules adopted thereunder. The recipient may use the energy planning and intervention and energy technologies units of the commissioner of public service to obtain information and technical assistance on energy conservation and alternative energy development relating to the planning and construction of the capital improvement project.

SUBD. 28 SPECIAL CONDITIONS

St. Paul Waterworks Property Acquisition for Open Space

No money in this section may be made available to the city of St. Paul until steps are completed to preserve in perpetuity the 70 acres St. Paul Waterworks property in the city of Roseville as public open and accessible green space.

SECTION 2

Laws 1995, chapter 220, section 19, subdivision 11, is amended to read:

Subd. 11 Energy

(a) ~~Inter-City~~ Electric Vehicle Transportation Demonstration \$150,000

This appropriation is from the oil overcharge money to the commissioner of administration for an agreement with Minnesota Power and Light Company to develop and evaluate an electric vehicle infrastructure ~~with charging stations for use between Duluth and St. Paul, including installation of a charging station at the state of Minnesota central motor pool location.~~ This appropriation must be matched by at least \$30,000 of nonstate money. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(b) Sustainable Development of Wind Energy on Family Farms \$200,000

This appropriation is from the oil overcharge money to the commissioner of administration for an agreement with the sustainable resources center to provide technical assistance and technology transfer for the development of wind energy harvesting.

(c) One-Megawatt Hybrid Electrical Generation Simulation Project \$50,000

This appropriation is from the oil overcharge money to the commissioner of administration for an agreement with Dan Mar & Associates in cooperation with the agriculture utilization research institute for a simulation project using biofuel electrical generation to firm up wind power to provide electrical energy on demand.

(d) Avian Population Analysis for Wind Power Generation Regions \$75,000

This appropriation is from the oil overcharge money to the commissioner of administration for an agreement with American Wind Energy Association to identify and assess significant avian activity areas within identified wind farm corridors in Minnesota. This appropriation must be matched by at least \$75,000 of nonstate money. This project must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date.

(e) Energy Improvements in Public Ice Arenas \$470,000

This appropriation is from the oil overcharge money to the commissioner of administration for an agreement with the Center for Energy and Environment to assess, install, and evaluate energy and indoor air quality improvements in at least 25 publicly owned ice arenas located throughout Minnesota. Projects receiving funding from this appropriation must be in compliance with the indoor ice facilities prime ice time and gender preference requirements in Minnesota Statutes, section 15.98. This appropriation is for up to 50 percent of the cost of retrofit activities.

SECTION 3

[4.0175] [ISTEA Enhancement Money]

Subdivision 1. [Definitions.]

"ISTEA Enhancement Money" means money received by the state from the federal government as a result of appropriations pursuant to the reauthorization of the Intermodal Surface Transportation Efficiency Act and designated for enhancement.

Subdivision 2. [Appropriation Required.]

ISTEA enhancement money may not be spent until it is specifically appropriated by law.

Subdivision 3. [Minnesota Resources Projects.]

The legislature intends to appropriate ISTEA enhancement money for projects that have been reviewed and recommended by the Legislative Commission on Minnesota Resources. A workplan must be prepared for each proposed project for review by the Commission. The Commission must recommend specific projects to the legislature.

Appropriations from Revenue Sources available to the LCMR for Funding Recommendations

Funding Source Statutory Reference:

Environment and Natural Resources Trust Fund	MS 116P.08
Minnesota Future Resources Fund	MS 116P.13
Oil Overcharge Money	MS 4.071
Great Lakes Protection Account	MS 116Q.02

Appropriation Year	Environment and Natural Resources Trust Fund	Future Resources Fund	Oil Overcharge Money	Great Lakes Protection Account
1991	14,960,000	16,534,000	3,500,000	
1993	24,600,000	14,662,000	2,012,000	
1994	1,346,000	1,404,000		
1995	18,019,000	15,083,000	2,055,000	130,000
1996	1,630,000	3,258,000		

Appropriations for LCMR Administrative Expenses

Statutory reference MS 116P.09

(The amounts shown here are part of the total appropriation above)

Appropriations for administrative expenses of LCMR for the appropriation period above total 1.9%

Appropriation Year	Environment and Natural Resources Trust Fund	Future Resources Fund
1991		850,000
1993	270,000	425,000
1995	394,000	308,000

STATE OF MINNESOTA

NATURAL RESOURCES FUNDS
COMBINING BALANCE SHEETJUNE 30, 1996
(IN THOUSANDS)MINNESOTA
RESOURCES

ASSETS

Cash and Cash Equivalents	\$ 7,824
Accounts Receivable	1,024
Interfund Receivables	-
Federal Aid Receivable	-
Total Assets	\$ 8,848

LIABILITIES AND FUND BALANCES

Liabilities:	
Accounts Payable	\$ 680
Interfund Payables	2,119
Total Liabilities	\$ 2,799

Fund Balances:

Reserved Fund Balances:	
Reserved for Encumbrances	\$ 3,935
Total Reserved Fund Balances	\$ 3,935

Unreserved Fund Balances:

Designated for Appropriation Carryover	\$ 923
Undesignated	1,191
Total Unreserved Fund Balances	\$ 2,114

Total Fund Balances	\$ 6,049
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Total Liabilities and Fund Balances	\$ 8,848
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STATE OF MINNESOTA

NATURAL RESOURCES FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCESJUNE 30, 1996
(IN THOUSANDS)MINNESOTA
RESOURCES

Net Revenues	
Tobacco Taxes	\$ 4,655
Federal Revenues	-
License Fees	-
Departmental Services	-
Investment Income	413
Other Revenues	6
Net Revenues	\$ 5,074

Expenditures:

Current:

Transportation	\$ -
Resource Management	1,269
Economic and Manpower Development	370
General Government	4

Total Current Expenditures	\$ 1,643
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Capital Outlay	3,107
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Debt Service	-
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Grants and Subsidies	4,554
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Total Expenditures	\$ 9,304
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Excess of Revenues Over (Under) Expenditures	\$ (4,230)
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Other Financing Sources (Uses):

Operating Transfers-In	\$ 3,107
Operating Transfers to Debt Service Fund	-
Transfer-Out Component Unit	(1,030)
Other Operating Transfers-Out	-

Net Other Financing Sources (Uses)	\$ 2,077
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Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (2,153)
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Fund Balances, July 1	8,202
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Fund Balances, June 30	\$ 6,049
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Only the Minnesota Resources Fund portion copied

STATE OF MINNESOTA

NATURAL RESOURCES FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
BUDGETARY BASIS
YEAR ENDED JUNE 30, 1996
(IN THOUSANDS)

	MINNESOTA RESOURCES		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Net Revenues:			
Tobacco Taxes.....	\$ 7,576	\$ 4,655	\$ (2,921)
Federal Revenues.....	-	-	-
License Fees.....	-	-	-
Investment Income.....	405	414	9
Other Revenues.....	5	6	1
Net Revenues.....	\$ 7,986	\$ 5,075	\$ (2,911)
Expenditures:			
Resource Management.....	\$ 7,797	\$ 6,893	\$ 904
Economic and Manpower Development.....	865	865	-
Education.....	524	524	-
General Government.....	134	134	-
Total Expenditures.....	\$ 9,320	\$ 8,416	\$ 904
Excess of Revenues Over (Under) Expenditures	\$ (1,334)	\$ (3,341)	\$ (2,007)
Other Financing Sources (Uses):			
Operating Transfers-In.....	\$ 90	\$ -	\$ (90)
Operating Transfers to Debt Service.....	-	-	-
Other Operating Transfers-Out.....	-	-	-
Transfers-Out to Component Units.....	(1,030)	(1,030)	-
Net Other Financing Sources (Uses).....	\$ (940)	\$ (1,030)	\$ (90)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses.....	\$ (2,274)	\$ (4,371)	\$ (2,097)
Fund Balances, July 1, 1995, as Reported.....	6,673	6,673	-
Prior Year Adjustments.....	-	170	170
Fund Balances, June 30, 1996.....	\$ 4,399	\$ 2,472	\$ (1,927)
Less Appropriation Carryover.....	-	923	(923)
Undesignated Fund Balances, June 30, 1996.....	\$ 4,399	\$ 1,549	\$ (2,850)

STATE OF MINNESOTA

NONEXPENDABLE TRUST FUNDS
COMBINING BALANCE SHEET
JUNE 30, 1996
(IN THOUSANDS)

	ENVIRONMENT AND NATURAL RESOURCES TRUST
ASSETS	
Cash and Cash Equivalents.....	\$ 10,106
Investments.....	113,967
Accounts Receivable.....	-
Interfund Receivables.....	2,770
Accrued Investment Income.....	-
Fixed Assets (Net).....	-
Total Assets.....	\$ 126,843
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts Payable.....	\$ -
Interfund Payables.....	7,215
Total Liabilities.....	\$ 7,215
Fund Balances:	
Reserved for Trust Principal.....	\$ 119,628
Total Fund Balance.....	\$ 119,628
Total Liabilities and Fund Balances.....	\$ 126,843

STATE OF MINNESOTA

NONEXPENDABLE TRUST FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 1996
(IN THOUSANDS)

	ENVIRONMENT AND NATURAL RESOURCES TRUST
Operating Revenues	
Net Sales	\$ -
Investment Income.....	8,570
Rental and Service Fees	-
Other Income	-
Total Operating Revenues	\$ 8,570
Operating Expenses:	
Purchased Services	\$ -
Investment Management Fees.....	-
Salaries and Fringe Benefits	-
Depreciation.....	-
Supplies and Materials	-
Total Operating Expenses.....	\$ -
Operating Income.....	\$ 8,570
Nonoperating Revenues (Expenses):	
Gain on Sale of Fixed Assets.....	\$ -
Grants, Aids and Subsidies.....	-
Total Nonoperating Revenues.....	\$ -
Income Before Operating Transfers	\$ 8,570
Operating Transfers-In.....	25,876
Operating Transfers-Out.....	(12,485)
Net Income.....	\$ 21,961
Fund Balances, July 1	97,166
Residual Equity Transfers-In.....	501
Fund Balances, June 30	\$ 119,628

STATE OF MINNESOTA

NONEXPENDABLE TRUST FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 1996
(IN THOUSANDS)

	ENVIRONMENT AND NATURAL RESOURCES TRUST
Cash Flows from Operating Activities:	
Operating Income.....	\$ 8,570
Adjustments to Reconcile Operating Income to	
Net Cash Flows from Operating Activities:	
Depreciation.....	\$ -
Investment Income.....	(8,570)
Change in Assets and Liabilities:	
Accounts Receivable.....	-
Interfund Payables.....	-
Accounts Payable.....	(3)
Other Liabilities.....	-
Net Reconciling Items to be Added (Deducted)	
from Operating Income.....	\$ (8,573)
Net Cash Flows from Operating Activities.....	\$ (3)
Cash Flows from Noncapital Financing Activities:	
Grant Receipts.....	\$ -
Operating Transfers-In.....	24,656
Operating Transfers-Out.....	(10,304)
Residual Equity Transfers-In.....	501
Other Noncapital Financing Costs.....	-
Net Cash Flows from Noncapital Financing Activities.....	\$ 14,853
Cash Flows from Capital and Related Financing Activities:	
Proceeds from the Sale of Fixed Assets.....	\$ -
Net Cash Flows from Capital and Related Financing Activities.....	\$ -
Cash Flows from Investing Activities:	
Proceeds from Sales and Maturities of Investments.....	\$ 7,306
Purchase of Investments.....	(27,585)
Investment Earnings.....	5,217
Net Cash Flows from Investing Activities.....	\$ (15,062)
Net Increase (Decrease) in Cash and Cash Equivalents.....	\$ (212)
Cash and Cash Equivalents, July 1.....	10,318
Cash and Cash Equivalents, June 30.....	\$ 10,106

STATE OF MINNESOTA

EXPENDABLE TRUST FUNDS
COMBINING BALANCE SHEET
JUNE 30, 1996
(IN THOUSANDS)

	ENVIRONMENT AND NATURAL RESOURCES TRUST
ASSETS	
Cash and Cash Equivalents.....	\$ 4,816
Investments.....	-
Accounts Receivable.....	-
Interfund Receivables.....	7,215
Accrued Investment/Interest Income.....	-
Federal Aid Receivable.....	-
Inventories.....	-
Loans and Notes Receivable.....	-
Other Assets.....	-
Total Assets.....	<u>\$ 12,031</u>
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts Payable.....	\$ 963
Interfund Payables.....	-
Deferred Revenue.....	-
Compensated Absences Payable.....	62
Other Liabilities.....	-
Funds Held in Trust.....	-
Total Liabilities.....	<u>\$ 1,025</u>
Fund Balances:	
Reserved Fund Balances:	
Reserved for Encumbrances.....	\$ -
Reserved for Inventory.....	-
Reserved for Long-Term Receivables.....	-
Reserved for Local Governments.....	-
Total Reserved Fund Balances.....	<u>\$ -</u>
Unreserved Fund Balances:	
Designated for Fund Purposes.....	11,006
Total Fund Balances.....	<u>\$ 11,006</u>
Total Liabilities and Fund Balances.....	<u>\$ 12,031</u>

STATE OF MINNESOTA

EXPENDABLE TRUST FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 YEAR ENDED JUNE 30, 1996
 (IN THOUSANDS)

	ENVIRONMENT AND NATURAL RESOURCES TRUST
Net Revenues	
Unemployment Taxes	\$ -
Mining Taxes.....	-
Federal Revenues	-
Investment/Interest Income	279
Gifts and Donations.....	-
Other Revenues.....	177
Net Revenues.....	\$ 456
Expenditures:	
Current:	
Protection of Persons and Property	\$ -
Transportation.....	33
Resource Management.....	4,828
Economic and Manpower Development.....	23
Education.....	5
Health and Social Services.....	-
General Government.....	391
Total Current Expenditures.....	\$ 5,280
Debt Service.....	-
Grants and Subsidies.....	1,494
Total Expenditures	\$ 6,774
Excess of Revenues Over (Under) Expenditures	\$ (6,318)
Other Financing Sources (Uses):	
Operating Transfers-In.....	\$ 12,485
Operating Transfers to Debt Service.....	-
Operating Transfers-Out.....	(3,107)
Transfers-Out to Component Units.....	(1,826)
Net Other Financing Sources (Uses).....	\$ 7,552
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses.....	\$ 1,234
Fund Balances, July 1, as Reported.....	\$ 10,273
Prior Period Adjustments.....	-
Changes in Reporting Entity.....	-
Fund Balances, July 1, as Restated.....	\$ 10,273
Residual Equity Transfers-Out.....	(501)
Fund Balances, June 30.....	\$ 11,006

MS 116P.09 Administration.

Subd. 7. Report required.

(8) any findings or recommendations that are deemed proper to assist the legislature in formulating legislation;

The Commission has no recommendations to make at this time.

MS 116P.09 Administration.

Subd. 7. Report required.

(9) a list of all gifts and donations with a value over \$1,000;

No donations with a value over \$1,000 were received by the Environment and Natural Resource Trust Fund or the Minnesota Future Resources Fund during the past two years.

The following information was prepared and provided by Lyle Mueller Department of Finance

History of Appropriations to Environmental Agencies

Fiscal Years 1990 through 1997 (in 1,000)

	FY90	FY91	FY92	FY93	FY94	Y95	FY96	FY97
Department of Natural Resources								
General Fund	74,848	74,640	76,395	76,489	80,310	80,739	89,166	88,826
Game and Fish Fund	42,164	42,851	49,651	50,785	50,030	47,589	51,477	51,339
Natural Resources Fund	15,002	15,472	18,918	17,834	18,066	17,547	20,138	19,115
Taconite Environmental Protection Fund	0	0	0	0	0	0	750	0
Permancent School Fund	325	200	565	635	374	104	0	0
Permanent University Fund	0	0	0	0	0	0	0	250
Solid Waste Fund	0	0	100	100	0	0	100	100
Federal Funds	5,766	4,376	4,489	4,763	7,429	11,572	9,239	9,289
Agency Total: Direct and Federal	138,105	137,539	150,118	150,606	156,209	157,551	170,870	168,919
Pollution Control Agency								
General Fund	12,947	12,047	10,839	9,015	8,730	8,426	11,822	9,441
Environmental Fund	3,527	3,572	17,223	20,885	28,006	28,666	19,342	19,607
Solid Waste Fund	0	0	0	0	0	130	5,738	5,907
Metro Landfill Fund	2,378	2,378	2,963	797	797	797	134	134
Secpial Revenue Fund	0	0	855	855	855	855	778	699
Petroleum Tank Fund	1,425	1,432	0	0	0	0	2,525	2,520
Federal Funds	20,987	14,473	18,230	15,396	14,816	18,365	22,545	16,504
Agency Total: Direct and Federal	41,264	33,902	50,110	46,948	53,204	57,239	62,884	54,812
Office of Environmental Assistance								
General Fund	0	0	0	0	19,139	19,074	19,146	19,246
Environmental Fund	0	0	0	0	1,090	1,090	1,341	1,341
Federal Funds	0	0	0	0	60	249	252	51
Agency Total: Direct and Federal	0	0	0	0	20,289	20,413	20,739	20,638
Office of Waste Management								
General Fund	10,486	20,700	19,648	19,370	0	0	0	0
Environmental Fund	0	847	897	897	0	0	0	0
Federal Funds	0	0	98	215	0	0	0	0
Agency Total: Direct and Federal	10,486	21,547	20,643	20,482	0	0	0	0
Department of Agriculture								
General Fund	14,428	10,833	12,981	13,121	17,006	13,876	15,540	13,847
Environmental Fund	0	75	130	279	272	272	269	269
Special Revenue Fund	185	185	185	185	9,461	9,618	9,408	9,408
Federal Funds	587	1,211	1,396	1,361	1,403	2,397	2,160	2,103
Agency Total: Direct and Federal	15,200	12,304	14,692	14,946	28,142	26,163	27,377	25,627
Board of Water and Soil Resources								
General Fund	5,948	8,073	8,474	8,745	11,874	13,131	13,844	14,347
Federal Funds	0	46	121	197	284	857	856	856
Agency Total: Direct and Federal	5,948	8,119	8,595	8,942	12,158	13,988	14,700	15,203
Zoological Board								
General Fund	5,851	5,036	8,971	5,358	5,048	5,051	5,274	5,074
Federal Funds	30	30	38	49	47	31	28	28
Agency Total: Direct and Federal	5,881	5,066	9,009	5,407	5,095	5,082	5,302	5,102

	FY90	FY91	FY92	FY93	FY94	Y95	FY96	FY97
Board of Animal Health								
General Fund	2,340	1,955	2,085	2,090	2,071	2,071	2,165	2,217
Federal Funds	101	197	261	260	473	531	500	500
Agency Total: Direct and Federal	2,441	2,152	2,346	2,350	2,544	2,602	2,665	2,717
MN/WI Boundary Area Commission								
General Fund	111	115	127	127	129	130	134	138
Natural Resources Fund	0	0	0	0	0	0	30	30
Agency Total Direct Appropriations	111	115	127	127	129	130	164	168
Voyageurs National Park								
General Fund	71	71	70	72	72	58	59	60
Science Museum of Minnesota								
General Fund	638	638	1,108	1,108	1,114	1,108	1,108	1,108
MN Academy of Science								
General Fund	28	28	32	32	36	36	36	36
MN Horticulture Society								
General Fund	68	68	72	72	72	72	72	72
Agriculture Utilization Research Institute								
General Fund	0	0	0	0	3,958	3,930	4,330	4,330
All Environmental Agencies								
General Fund	127,764	134,204	140,802	135,599	149,559	147,702	162,696	158,742
Game and Fish Fund	42,164	42,851	49,651	50,785	50,030	47,589	51,477	51,339
Natural Resources Fund	15,002	15,472	18,918	17,834	18,066	17,547	20,168	19,145
Environmental Fund	3,527	4,494	18,250	22,061	29,368	30,028	20,952	21,217
Solid Waste Fund	0	0	100	100	0	130	5,838	6,007
Metro Landfill Fund	2,378	2,378	2,963	797	797	797	134	134
Sepecial Revenue Fund	185	185	1,040	1,040	10,316	10,473	10,186	10,107
Petroleum Tank Fund	0	0	0	0	0	0	0	0
Taconite Environmental Protection Fund	0	0	0	0	0	0	750	0
Permancent School Fund	325	200	565	635	374	104	0	0
Permanent University Fund	0	0	0	0	0	0	0	250
Federal Funds	27,441	20,303	24,595	22,192	24,465	33,971	35,552	29,303
	218,786	220,087	256,884	251,043	282,975	288,341	307,753	296,244
Biennial Total	438,873	438,873	507,927	507,927	571,316	571,316	603,997	603,997

The following information was prepared by LCMR staff:
(These funds and appropriations are not included in the items above)

Biennial Appropriations from the following sources:	1989 Appropriation	1991 Appropriation	1993&94 Appropriation	1995&96 Appropriation
Environment & Natural Resources Trust Fund		14,960	25,946	19,649
Future Resources Fund	18,590	16,534	16,066	16,543
Oil Overcharge Money		3,500	2,012	2,055
Great Lakes Protection Account				130
Biennial Total	18,590	34,994	44,024	38,377



STATE OF MINNESOTA

OFFICE OF THE LEGISLATIVE AUDITOR

CENTENNIAL BUILDING, 658 CEDAR STREET • ST. PAUL, MN 55155 • 612/296-4708 • TDD RELAY 612/297-5353

JAMES R. NOBLES, LEGISLATIVE AUDITOR

December 19, 1996

Senator Steve Morse, Chair
Legislative Commission on Minnesota Resources
65 State Office Building
St. Paul, Minnesota 55155

Dear Senator Morse:

Staff from the Legislative Commission on Minnesota Resources have requested information on the status of our audits of the Environmental and Natural Resources Trust Fund. Minn. Stat. Section 116P.04, Subd. 5 provides that the Legislative Auditor shall audit trust fund expenditures to ensure that the money is spent for the purposes provided in the commission's budget plan.

The Office of the Legislative Auditor has conducted two audits of projects funded from trust fund appropriations. We issued the audit reports in November 1993 and September 1994.

We are currently planning our audit schedule for the period February through June 1997. We may schedule another audit of the Environmental and Natural Resources Trust Fund during that time. However, we do not have sufficient staff to audit all entities each year or every two years. We allocate staff resources and establish our audit schedule based on a risk assessment of the entities subject to audit. We will make a final decision on the complete audit schedule by the end of January.

If you have any questions on our audits, you may contact me at 296-4718.

Sincerely,

A handwritten signature in cursive script that reads "Claudia Gudvangen".

Claudia Gudvangen, CPA
Senior Audit Manager

APPENDIX to the LCMR Biennial Report

1997 Process

Trust Fund Information

Question and answer letter and material

Trust Fund Introduced Legislation SF 33, SF 42 HF

Trust Fund Coalition Fact Sheet

Cigarette Tax Information

1995 and 1996 Projects

Other Laws

LCMR Overview

1996 Bonding, DNR and BWSR

Nongame Wildlife Checkoff

Oil overcharge Money Statute

Great Lakes Protection Fund and Account Statute

LCMR

Legislative Commission on Minnesota Resources

SENATORS: Steven Morse, Chair; Dennis Frederickson; Janet Johnson; Gary Laidig; Bob Lessard; Gene Merriam; James Metzen; Leonard Price.
 REPRESENTATIVES: Chuck Brown; Ron Erhardt; Phyllis Kahn; Willard Munger; Dennis Ozment; Tom Rukavina; Loren Solberg.

LCMR Chooses Final 1997 Package of 101 Projects

The LCMR will recommend 101 projects totaling \$36.7 million in the 1997 Legislative Session. If passed by the Legislature and signed by the Governor, funding for these projects will begin in July 1997 and run through June 1999. The tentative recommendations mark the middle of a process that began 18 months ago with the LCMR fact-finding trips and development of the strategic plan.

In July, August and September 1995, members traveled on fact-finding trips to the Brainerd vicinity, the metro area, and Northeast and Southeast Minnesota. They visited state and regional trails, residential environmental learning centers, wetland mitigation sites, trout streams, watershed-based management sites and community gardens and discussed issues of ecosystem management, forestry and sustainable development.

In October 1995, a series of public natural resource forums were held in North Mankato, Grand Rapids and St. Paul. Over 180 citizens attended and an additional 90 written comments were received on expenditure priorities and the process for funding. The forums also provided input on the revision to the Strategic Plan to guide expenditures and review Trust Fund projects and the Reinvest in Minnesota (RIM) program.

In Fall of 1995, the Citizen Advisory Committee (CAC) met to draft a recommended strategic plan. The CAC is a group of citizens appointed by the Governor and charged with developing a strategic plan to guide expenditures from the Environment and Natural Resources Trust Fund. After recommendation by

1997 Projects to page 6



HMONG HUNTERS WITH DNR CONSERVATION OFFICERS AND SOUTHEAST ASIAN OUTREACH PROGRAM STAFF

The DNR Southeast Asian Outreach Program: An Opportunity to Learn

by Josee Cung, MN DNR

The face of the "typical" Minnesotan is changing. When the Vietnam War ended, numerous Hmong, Vietnamese, Lao and Cambodians were suddenly in danger as a result of the help they had provided to American forces. Many fled to the U.S. to begin new lives, and so far approximately 80,000 Southeast Asians have settled in Minnesota.

Southeast Asian traditions regarding natural resources are very different from western culture. The idea of trespassing is unfamiliar to most Southeast Asians, since wilderness areas in their homelands are generally open to anyone. Many Southeast Asians were raised in agrarian
SEA Outreach to Page 6

INSIDE

- Local Initiatives Grants, Page 2
- Energy Efficient Ice Arenas, Page 2
- RIM Critical Habitat Match, Page 3
- Forest Bird Diversity, Page 3
- 1997 LCMR Projects, Pages 4-5

Local Initiatives Grants Aid Local Government

by Wayne Sames, MN DNR

Among the programs and projects that are being recommended to the 1997 Legislature by the LCMR are five matching grant programs designed to provide assistance to local governments and private organizations for a wide variety of recreation and natural resource projects. The LCMR is recommending that a total of \$2.9 million be provided for these programs, collectively referred to as the Local Initiative Grants Program.

The common theme for these grants is sharing state, local government and private resources to achieve common goals. All grants require a fifty/fifty match. In some cases, in-kind contributions are used to meet the match requirements. Ongoing operations, maintenance and administrative costs are the responsibility of the grant recipient.

Here is a summary of the individual grant programs:

Local Park Grants: \$600,000

These grants fund acquisition and development of state and local park and recreation areas.

Natural and Scenic Area Grants: \$600,000

This program assists local governments and school districts in their efforts to increase, protect and enhance natural and scenic areas. Grants are available for acquisition of land or scenic easements.

Cooperative Trail Grants: \$900,000

This program provides grants to local governments for development of trail linkages between communities, trails and parks and for local trails of regional significance. The LCMR is recommending that \$700,000 be allocated to a new category of grants to help support locally administered trail projects that are regionally significant.

Conservation Partners Grants: \$600,000

This program provides small matching grants to private organizations and local governments for improvement of fish, wildlife, and native plant habitats and research and surveys of fish and wildlife.

Environmental Partnerships Grants: \$200,000

This new program provides matching to private organizations for environmental service projects and related education activities through public and private partnerships.



A PRODUCT OF AN LCMR LOCAL PARK GRANTS PROJECT

The Local initiative Grants Program is administered by the Local Grants Unit of the Department of Natural Resources. In some cases, DNR field staff solicit, evaluate, rank and monitor the projects. Application information is mailed directly to every city and county in the state and to hundreds of private organizations. After careful evaluation and ranking of projects based on standard criteria, a list of projects recommended for funding is submitted to the LCMR for final review and approval. *

For more information on the Local Initiative Grants Program contact the Local Grants Unit, Department of Natural Resources, Box 10, 500 Lafayette Road, St. Paul, MN, 55155, Phone 612/296-1567.

Energy Efficient Ice Arenas

by David L. Bohac, CEE

Center for Energy and Environment (CEE) received 1995 funding recommended by the Legislative Commission on Minnesota Resources to conduct an energy improvement program for publicly owned ice arenas in Minnesota. The programs will implement and evaluate energy and indoor air quality improvements in selected ice arenas. With annual energy costs of over \$50,000, ice arenas are prime candidates for a variety of energy saving technologies. Preliminary assessments indicate that the energy use in most arenas can be reduced by 20 to 40 percent.

CEE completed a survey of Minnesota's public ice arenas and is conducting an assessment of state-of-the-art technologies. Field work has started in 14 of the 30 arenas that will receive audits. Partial funding for improvements is available and the energy savings of these measures will be evaluated. An ice arena energy guidebook is also being developed so that all Minnesota arena managers can properly identify cost-effective improvements. The project is being conducted in cooperation with various Minnesota utilities and the Minnesota Ice Arena Managers Association. *

Forest Bird Diversity Initiative

by Lee Pfannmuller, MN DNR

Through the Forest Bird Diversity Initiative, an LCMR recommended project since 1992, the State of Minnesota is conducting a multiple scale research effort to contribute to a healthy forest. Why is it important to study forest birds? Our state lies in a narrow forest belt that supports more different species of breeding songbirds than anywhere else in the United States and southern Canada. The extensive forest region is considered to be one of only four remaining areas in the eastern United States where the long-term conservation of forest birds can be successfully accomplished.

Forest birds enhance the growth of trees by consuming forest insects. Management practices that promote the conservation of birds are essential for maintaining forest productivity. The important ecological role that birds serve in maintaining healthy forests translates into an important economic role, too. Forestry and forest products provide over 54,000 jobs and \$2.2 billion in personal income in Minnesota. Over 1.8 million Minnesota residents alone spent about \$500 million on birding in 1995.

Studies have pointed to population declines for some forest birds. Over 43% of Minnesota's forest birds are neotropical migrants--they breed in temperate or boreal forests and winter in the tropics. Neotropical migrants throughout North America have become the recent focus of international conservation efforts because numerous studies have pointed to population declines. Increased harvest levels in Minnesota could be impacting some of these forest birds. Harvest levels in Minnesota have increased from approximately 1 million cords per year in the 1960's to nearly 4.5 million cords today. These increased harvest levels may influence habitat features at the stand level and vegetation patterns at the landscape level.

The Forest Bird Diversity Initiative is annually monitoring forest bird populations through a comprehensive monitoring program that tracks forest bird population numbers. Among the best and most sensitive monitoring efforts in the nation, the data collected by the monitoring program provides an important tool for forest management and planning. The Initiative is conducting
see Forest Birds page 7

RIM Match Donations Strong in 1995

by Kim Hennings, MN DNR

Private citizens and groups continue to join the State in a unique "partnership" to protect Minnesota's priceless fish, wildlife, and native plant resources through the Reinvest in Minnesota (RIM) Critical Habitat Matching (CHM) Program. This program was part of the RIM legislation passed by the 1986 Legislature to match State funds dollar-for-dollar with private contributions to effectively double the ability to acquire and develop critical habitat. Since 1986, over \$16 million dollars in land and cash donations have been matched. The LCMR has recommended \$4.0 million to RIM - CHM from the Trust Fund since 1993.

Besides donations from major conservation groups such as The Nature Conservancy, Ducks Unlimited, Pheasants Forever, Minnesota Deer Hunters Association, Minnesota Waterfowl Association, Trust for Public Land and the Ruffed Grouse Society, 60 sportsmen clubs, 14 corporations and over 158 individuals have contributed. The state matching dollars are used to purchase wildlife management areas and scientific and natural area lands, restore wetlands, improve forest habitat, plant winter cover, protect undisturbed plant economies and preserve spawning areas and trout streams.

See RIM page 7

Several new Citizen Advisory Committee (CAC) members have come on board since the last newsletter was published. The CAC members are appointed by the Governor to advise the LCMR on trust fund expenditures. We welcome the following new members:

**Nancy Reynolds, District 1
Jeffrey Johnson, District 3
Christine Kneeland, District 4
Greta Hesse Gauthier, District 5**

They join current members Nancy Gibson, Chair; Marvin Tinklenberg; Guy Glover; Arlan Anderson; Jack Lavoy; Michael Triggs; and Patricia Baker.

1997 LCMR Recommended Projects

Funding Sources:

Environment and Natural Resources Trust Fund	20,950,000
Minnesota Future Resources Fund	15,656,000
Great Lakes Protection Account	50,000
TOTAL	36,656,000

Subd. 4 Recreation	9,900,000
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(a) State Park and Recreation Area Acquisition, Development, Betterment and Rehabilitation	3,500,000
(b) Metropolitan Regional Park System	3,500,000
(c) Local Initiatives Grants Program	2,900,000

Subd. 5 Historic Sites	2,085,000
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(a) Ft. Snelling State Park - Upper Bluff Utilization and AYH Hostel	250,000
(b) Protecting Rural Historic Landscapes in High Development Areas	80,000
(c) Jeffers Petroglyphs Environmental Assessment and Prairie Restoration	125,000
(d) Mill Ruins Park Archaeological Investigation and Feasibility Study	75,000
(e) Planning and Assessment of Small Historic Sites	200,000
(f) Development of Birch Coulee State Historic Site	270,000
(g) Wendelin and Julianna Grimm Farm Restoration	200,000
(h) White Oak Learning Center Environmental Awareness through History	125,000
(i) Historical and Cultural Museum on Vermilion Lake Indian Reservation	100,000
(j) Native American Perspective of the Historic North Shore	60,000
(k) Children's Museum at Judy Garland Birthplace	200,000
(l) Soudan Underground Physics Laboratory Expansion	400,000

Subd. 6 Water Resources	2,170,000
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(a) On-Site Sewage Treatment Alternatives and Technology Transfer	500,000
(b) Nitrate Education and Testing	150,000
(c) Snake River Watershed BMP's	100,000
(d) Evaluation of Watershed-Based Watershed District Management	150,000
(e) Red River Valley Planning and Management	375,000
(f) Sustainable Lake Plans	270,000
(g) Lakeshore Restoration - Minneapolis Chain of Lakes	300,000
(h) Atmospheric and Nonpoint Pollution Trends in Minnesota Lakes	325,000

Subd. 7 Agricultural Practices	1,435,000
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(a) Biological Control of Agricultural Pests	200,000
(b) Crop Management to Minimize Pesticide Inputs	300,000
(c) Sustainable Farming Systems	560,000
(d) Prairie-Grassland Landscapes	125,000
(e) Reducing Minnesota River Pollution from Lacustrine Soils	250,000

Subd. 8 Pollution Prevention	315,000
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(a) Toxic Emissions from Fire Commissioner Training	65,000
(b) Pollution Prevention Training Program for Industrial Employees	250,000

Subd. 9 Impacts on Natural Resources	1,705,000
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(a) Grants to Local Governments to Assist Natural Resource Decision-Making	150,000
(b) Evaluation of Urban Growth Economic and Environmental Costs and Benefits	275,000
(c) Reinventing the Agricultural Land Preservation Program	100,000
(d) New Models for Land-Use Planning	530,000
(e) North Minneapolis Upper River Master Plan	300,000
(f) Preventing Stormwater Runoff Problems through Watershed Land Design	250,000
(g) Miller Creek Watershed Comprehensive Management Plan	100,000

Subd. 10 Decision-Making Tools	1,345,000
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(a) Comparative Risks of Multiple Chemical Exposures	150,000
(b) Metropolitan Area Groundwater Model	300,000
(c) Wolf Management Plan	100,000
(d) Minnesota River Basin Natural Resource Data	250,000
(e) Land Use Development and Natural Resource Protection Model	400,000
(f) Statewide Digital Soil Database - Phase 1	145,000

Subd. 11 Public Access to Natural Resource Data	1,000,000
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(a) Foundations to Integrated Access to Environmental Information	600,000
(b) Electronic Access to Minnesota's National Register of Historic Places	150,000
(c) Public Access to Archaeological Knowledge	200,000
(d) Search and Retrieval System for Natural Resource Data	50,000

Subd. 12 Sustainable Development Activities	1,905,000
(a) Sustainable Development Assistance for Municipalities through Electric Utilities	250,000
(b) Renewable Energy Demonstration and Education in State Parks	230,000
(c) Alfalfa Biomass Production	200,000
(d) Sustainable Development of Wind Energy on Family Farms	200,000
(e) Connecting People and Places through Yellow Bikes	75,000
(f) Sustainable Gardening for Minnesota Homes and Communities	400,000
(g) Evaluate Riparian Forests for the Minnesota River	300,000
(h) Economics for Lasting Progress	250,000
Subd. 13 Environmental Education	1,920,000
(a) School Nature Area Project (SNAP)	250,000
(b) Watershed Science: Integrated Research and Education Program	500,000
(c) Minnesota Frog Watch	300,000
(d) Environmental Service Learning Projects in Minneapolis Schools	100,000
(e) Partners in Accessible Recreation and Environmental Responsibility	550,000
(f) Environmental Service Learning	100,000
(g) State Wolf Management: Electronically Moderating the Public Discussion	100,000
(h) Catch and Release	20,000
Subd. 14 Benchmarks and Indicators	1,715,000
(a) Environmental Indicators Initiative - Continuation	250,000
(b) Minnesota's Forest Bird Diversity Initiative - Continuation	350,000
(c) Water Quality Indicators of Endocrine Disrupting Chemicals	250,000
(d) Stream Habitat Protection - Continuation	225,000
(e) Wetland Ecosystems Monitoring	160,000
(f) Loons: Indicators of Mercury in the Environment	230,000
(g) Training and Research Vessel for Lake Superior	250,000
Subd. 15 Native Fisheries	286,000
(a) Improved Decisions for Walleye Stocking and Special Regulations	200,000
(b) Minnesota Rare Mussel Conservation	86,000
Subd. 16 Land Acquisition in High Growth Areas	850,000
(a) Sand Dunes State Forest Acquisition	400,000
(b) Arboretum Land Acquisition	450,000
Subd. 17 Critical Lands or Habitats	7,305,000
(a) Sustainable Woodlands on Private Lands	875,000
(b) Cannon River Watershed: Integrated Management	350,000
(c) Prairie Heritage Fund	500,000
(d) Phalen Area Wetland Restoration, Phase II	400,000
(e) Point Douglas Bluffland Acquisition	525,000
(f) Minnesota Point Protection	75,000
(g) Savanna Restoration for Sharptail Grouse	30,000
(h) RIM - Critical Habitat Acquisition and Enhancement	400,000
(i) RIM - Wildlife Habitat Stewardship	400,000
(j) Scientific and Natural Area Acquisition	200,000
(k) RIM - Wildlife Habitat Acquisition	500,000
(l) RIM - Accelerate Fisheries Acquisition	500,000
(m) Minnesota County Biological Survey - Continuation	1,170,000
(n) Peatland Restoration	275,000
(o) Fishing Pier and Public Shore Access	355,000
(p) Public Boat Access	350,000
(q) Fisheries Statewide Hatchery Rehabilitation	400,000
Subd. 18 Wildlife or Trail Corridors	1,000,000
(a) Mesabi Trail Land Acquisition and Development	600,000
(b) Chippewa County Regional Trail	400,000
Subd. 19 Native Species Planting	470,000
(a) Minnesota Releaf Tree Planting and Preservation Grant Program	300,000
(b) Restoring White Pine in the Minnesota Landscape	120,000
(c) Prairie and Oak Savanna Restoration	50,000
Subd. 20 Exotic Species	450,000
(a) Ballast Water Technology Demonstration for Exotic Species Control	200,000
(b) Biological Control of Eurasian Watermilfoil and Purple Loosestrife - Continuation	150,000
(c) Control of Noxious Weeds in Native Wild Rice	100,000

1997 Projects from page 1

the CAC and various revisions by members, the Strategic Plan for 1996-2002 was adopted December 7, 1995.

The Request for Proposals (RFP) was sent to over 3,500 people in December 1995. In January 1996, the LCMR staff held informational workshops to assist proposers in writing their proposals.

February 23, 1996, was the deadline for receipt of proposals at the LCMR office. The LCMR received 444 proposals.

The CAC met on April 10, and, with the leadership of chair Nancy Gibson, chose 23 projects to recommend to the Commission. In the CAC packet of recommendations, Gibson stated, "Our recommendations reflect our concern for urban sprawl, water quality issues addressed on a watershed basis and acquisition of critical habitat. Many of the recommendations were chosen because they had broad cooperators who either matched the proposals with funds or expertise."

At the April 24 LCMR meeting, Gibson and CAC members Greta Hesse Gauthier and Jeffrey Johnson presented this package of 23 proposals to the LCMR members. Recommendations from the Governor's office were also presented. At the April 30 meeting, members discussed and chose 157 of the 444 proposals for further review during the summer.

Visit the LCMR web site for more information about the LCMR and our current projects:
<http://www.leg.state.mn.us/leg/lcmr/lcmr.htm>

On August 2, 1996, LCMR members chose a comprehensive final package of 101 proposals, totaling \$36,656,000 to be recommended to the 1997 legislature. The Commission will adjust the recommendations on pages 4 and 5 to reflect the March 1997 revenue forecast. The recommended projects will be introduced as an appropriation bill, and presented before appropriate committees of the Legislature for review and adoption. Before the projects become law, or money is given for work on any project, the bill must be adopted by the full Legislature and signed by the Governor.

Because of the high caliber of the proposals and the natural resource needs which they addressed, it was a very difficult decision to cut or reduce funding for many of the projects. The Commission wants to thank all who responded to the RFP for their responsiveness throughout the review process. *

SEA Outreach from page 1

societies where hunting and fishing were simply a daily means of obtaining food, and they are unaccustomed to recreational and regulated hunting and angling.

New Southeast Asian settlers found themselves committing inadvertent hunting and fishing violations. In response to the need to educate and involve Minnesota's growing Southeast Asian population in natural resource use and protection, the Department of Natural Resources' Southeast Asian (SEA) Outreach Program was created in 1993 with LCMR-recommended start-up money.

It was clear from the beginning that community outreach would provide the key to real learning and change when working with minority communities. The DNR needed to be willing to learn from the community as well as teach.

Outreach formed the cornerstone of the SEA program. First, the DNR hired SEA staff with established ties to the Asian community to head and operate the program. These ties enabled them to serve as trusted liaisons between the Southeast Asian community and the DNR. Second, the program actively involved SEA organizations and community leaders in all planning and program activities.

When the SEA Program plans its educational activities, staff first confer with community members to identify specific needs. Workshops on hunting and fishing are held at area hunting locations. Classes are given on how to identify private land borders and understand signs.

In addition to hunting and fishing workshops, the program provides translated materials and training on other topics such as fish consumption advisories and conservation methods. Activities for youth at State Parks, education in firearm safety, and cultural training sessions for DNR staff and the public are also part of the program's outreach. New and future projects include the "buddy system," which pairs hunters with landowners, and the promotion of careers for Southeast Asians as Conservation Officers.

The SEA Outreach program is now incorporated into regular DNR budget—another successful example of LCMR sponsored innovation leading to positive change. *

For more information on the SEA Outreach Program, please contact Josee Cung, Program Manager, at 612/297-4745.

Forest Birds from Page 3

a multiple scale research effort to help us understand what factors influence habitat selection and nest success of breeding forest birds. Research studies are examining issues like the relationship of nest success to forest vegetation and landscape patterns, the distribution and abundance of nest predators and residual tree management.

The overall goal of the Initiative is to develop a model that enables forest managers to understand how forest birds respond to changes in the age, composition and patterns of forest cover types in relation to logging, land use change, and natural disturbances to the forest environment. Project staff have established cooperative field studies with the forest industry (Blandin, Boise-Cascade, and Pottlatch), Minnesota DNR, Superior and Chippewa National Forests, St. Louis County, Minnesota Power and Wolf Ridge Environmental Learning Center. Information highlighting the results of field studies has been delivered through presentations, papers, publications and workshops throughout Minnesota and the Great Lakes Region. The book Birds and Forest: A Management and Conservation Guide has been produced and distributed to hundreds of federal, state and county forest land managers and loggers.

The monitoring program has detected many annual changes in species populations thus far, yet few have been consistent from year to year or among study regions. The majority of species are maintaining relatively stable populations with only slight annual variations. Factors like nest predation and nest parasitism are affecting some species. Artificial nests on the ground experienced a nest predation rate of 72% after 7 days of exposure. A wide diversity of mammals is responsible for this nest predation. Motion-sensitive cameras recorded the identity of mammals that preyed on artificial ground nests. In order of decreasing occurrence they were: fisher, Eastern chipmunk, red-backed vole, red squirrel, deer mouse, black bear, gray squirrel and striped skunk. The high level of nest loss observed for some birds raises concern about the long-term ability of these species to maintain viable populations. Nest parasitism by Brown-headed cowbirds has been found to be one of the major factors responsible for the decline of neotropical songbirds in eastern deciduous forests. Cowbirds are being recorded at most census points in forest stands in the southeast.

An important question to consider in understanding logging and forest management in Minnesota is how current logging activities reflect the natural disturbance force in Minnesota, forest fire. One of the Initiative's research studies demonstrated that more species and individuals were found per unit area in burned forests compared with logged areas. Hazel shrubs dominated the vegetation of logged areas, while the burned areas were more diverse with patches of shrubs (hazel, aspen and raspberry) and more standing dead trees. The results indicate how we could better manage forests at an early stage of development to benefit wildlife.

Additional funding will be recommended by the LCMR to the 1997 Legislature for the Forest Bird Diversity Initiative to further continue its research. *



LCMR member Jim Rice passed away on October 15, 1996, after serving 23 years in the Minnesota House. Representative Rice was a great orator, passionate about history, parks, and the arts. He was an institution, both in the Legislature and in his beloved neighborhood of North Minneapolis. He did what he loved best, with enthusiasm and great ability.

RIM from Page 3

The popularity of the CHM Program was apparent in 1995 as donors contributed over \$2.3 million in cash and land to this unique program. The 980 acres of donated lands became wildlife management areas, scientific and natural areas, aquatic management areas, state parks and state forests. The matching dollars from these donations will purchase thousands of acres of additional critical lands containing wildlife habitat, shoreland, native prairie and other native plant communities. Many of the cash donations and state matching dollars will be used to help fund habitat development projects such as native grass seedings, forest habitat improvements and wetland restorations.

Donations to the CHM Program have become so popular, the State cannot meet all matching programs. The DNR has put a hold on any new CHM donations until appropriations catch up with the rate of contributions. *

Parting Thoughts

from Senator Gene Merriam

Reflecting upon twenty-two years in the Minnesota Senate, I have many fond memories and a multitude of good feelings about this experience as it is drawing to a close. I am fortunate to have had this opportunity, and I will be forever grateful for this good fortune. Among my pleasant memories and positive experiences are those associated with the past sixteen years that I have served on the LCMR, including a two-year stint as chair. Serving on the LCMR requires hard work and a significant time commitment. LCMR colleagues and staff have frequently heard me refer to the irony of our spending many, many beautiful summer days indoors discussing outdoor resources and recreation.

Serving on the commission is rewarding for a number of reasons, including affording the opportunity to visit frequently the many diverse natural resource amenities in this state. The LCMR is a "hands-on" commission, and its members and staff see many proposals and projects first-hand. As someone who has devoted a good share of his legislation, time and effort to environmental and natural resource efforts, I have really appreciated the focus on natural resource issues that the LCMR has provided for the Legislature. The work of this commission has enabled us to better allocate resources for environmental spending, and I know that our citizens, including those of generations to come, are the better for it.

While the commission has, for more than three decades, performed an important role, it has taken on even more importance since the inception of the state lottery. Minnesota voters approved a constitutional amendment in 1990 that dedicated 40% of the net proceeds of the lottery to the Environmental Trust Fund through the year 2000. The Legislature assigned the LCMR the responsibility of overseeing and recommending the expenditures relative to this fund.

I believe that maintaining the dedication of these lottery proceeds to the Environmental Trust Fund is important. For this reason I am working with a group of people called the Environmental Trust Fund Coalition to extend the dedication of a portion of lottery proceeds to the Environmental Trust Fund. Our objective is to have another constitutional amendment for the voters to choose whether they think that spending wisely on the environment and natural resources is important for our future. *

Legislative Commission on Minnesota Resources
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Thank you to our contributing writers: David Bohac, Josee Cung, Kim Hennings, Phyllis Kahn, Gene Merriam, Lee Pfanmuller, Wayne Sames.

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JOHN VELIN, DIRECTOR

April 23, 1996

TO: Senator Steve Morse, Chair and
Legislative Commission on Minnesota Resources (LCMR) Members

FROM: Nancy Gibson *Nancy Gibson*
Citizens Advisory Committee (CAC), Chair

SUBJECT: CAC Recommendations for 1997 Environmental Trust Fund

The Citizens Advisory Committee (CAC) has voted on 23 projects that we feel fit the mission on the Environmental Trust Fund and address the current strategies. Each CAC member was provided with the summary narrative of the 444 proposals and asked to choose 20 projects. Full proposals were available either in the LCMR office or by request prior to our April 10 meeting. There was general consensus on 11 of the proposals, then the CAC members debated which additional projects to recommend from within their previously stated priorities. This resulted in our final list. Full proposals were available to each member during our meeting. All the projects on our list of 23 (attached) are of equal priority.

Our recommendations reflect our concern for urban sprawl, water quality issues addressed on a watershed basis and acquisition of critical habitat. Many of the recommendations were chosen because they had broad cooperators who either matched the proposals with funds or expertise. A copy of the bonding bill was requested so our decisions could embody an efficient use of limited funds.

We had a lengthy discussion of the Parks and Trails requests and it was decided to not include them in our recommendations because the LCMR initiated a new process to pre-allocate a portion of the funds. However, CAC members encourage the designation of these monies and hope that those funds are a "floor not a ceiling."

We urge you to take under consideration the projects brought forward by the CAC members.

Attachments: CAC proposal list and rationale

F:\LCMR\SHARE\WORKFILE\M197PROJ\CAC97REC.DOC

SENATORS: Steven Morse, CHAIR; Dennis Frederickson; Janet Johnson; Gary Laidig; Bob Lessard; Gene Merriam; James Metzen; Leonard Price. REPRESENTATIVES: Chuck Brown; Ron Erhardt; Phyllis Kahn; Willard Munger; Dennis Ozment; James Rice; Tom Rukavina; Loren Solberg.

1997 Proposals - SAC Recommendations

4/22/98 10:33:43 AM

Project Number	LCMR Request	Project Title	Proposer
B 11	\$100,000	IMPLEMENTATION OF BMP'S WITHIN THE SNAKE RIVER WATERSHED	Joint Powers Board, Mille Lacs/Pine/Kanabec/Aitkin Counties
B 18	\$490,000	RED RIVER VALLEY ECOSYSTEM PLANNING AND MANAGEMENT	MPCA
B 32	\$1,256,000	WATER QUALITY RESTORATION - MINNEAPOLIS LAKES	Minneapolis Park and Recreation Board
C 2	\$687,400	CROP MANAGEMENT TO MINIMIZE PESTICIDE INPUTS IN MINNESOTA	UofM
C 4	\$919,000	SUSTAINABLE FARMING SYSTEMS: SHOWING THE ADVANTAGES	UofM
D 1	\$72,000	TOXIC EMISSIONS FROM FIRE DEPARTMENT TRAINING	FIRE/EMS Center-Metropolitan State Univ
I 28	\$112,700	STATE WOLF MANAGEMENT: ELECTRONICALLY MODERATING THE PUBLIC DISCUSSION	International Wolf Center
J 1	\$350,000	ENVIRONMENTAL INDICATORS INITIATIVE-CONTINUATION	DNR
J 2	\$380,000	MINNESOTA'S FOREST BIRD DIVERSITY INITIATIVE: CONTINUATION	DNR
K 2	\$98,800	MINNESOTA RARE MUSSEL CONSERVATION AND THE FISH CONNECTION	UofM
L 3	\$5,000,000	NEW MODELS FOR A NATURAL RESOURCES CORRIDOR	Land Stewardship Project
L 8	\$500,000	CLEARWATER CREEK GREENWAY CORRIDOR PROJECT	City of Hugo
L 9	\$400,000	ACQUISITION OF CRITICAL OPEN SPACE THREATENED BY URBANIZATION	DNR
L 10	\$680,000	ARBORETUM LAND ACQUISITION AND OAK SAVANNA RESTORATION	UofM
M 1	\$977,500	CREATING SUSTAINABLE WOODLANDS ON PRIVATE LAND	MN Forestry Association
M 2	\$1,000,000	RIM - CRITICAL HABITAT ACQUISITION AND ENHANCEMENT	DNR
M 7	\$1,200,000	MINNESOTA COUNTY BIOLOGICAL SURVEY-CONTINUATION	DNR
M 12	\$500,000	RIM - SCIENTIFIC AND NATURAL AREAS AND PRAIRIE BANK ACQUISITION	DNR
M ACCESS 1	\$400,000	FISHING PIER AND PUBLIC SHORE ACCESS	DNR
O 1	\$300,000	MINNESOTA RELEAF TREE PLANTING AND PRESERVATION GRANT PROGRAM	DNR
O 7	\$165,007	RESTORING WHITE PINE IN THE MINNESOTA LANDSCAPE	UofM
P 1	\$250,000	BALLAST WATER TECHNOLOGY DEMONSTRATION FOR EXOTIC SPECIES CONTROL	Seaway Port Authority of Duluth
P 2	\$150,000	BIOLOGICAL CONTROL OF EURASIAN WATERMILFOIL AND PURPLE LOOSESTRIPE-CONTINUATION	DNR
Total LCMR Requests			\$15,988,407.00

CAC Recommendations

12-Apr-96

Project Number: B 11 **LCMR Request:** \$100,000

Project Title: IMPLEMENTATION OF BMP'S WITHIN THE SNAKE RIVER WATERSHED

Requesting Agency: Joint Powers Board, Mille Lacs/Pine/Kanabec/Aitkin Counties

CAC Recommendation: A watershed-based water quality project with implementation of broad beneficial activities. It is a cooperative effort between four counties that sought matching funds. It recognizes the need for a high quality environment in high tourist areas. It is cost effective and it uses many tactics to address erosion, feedlot issues and water quality.

Project Number: B 18 **LCMR Request:** \$490,000

Project Title: RED RIVER VALLEY ECOSYSTEM PLANNING AND MANAGEMENT

Requesting Agency: MPCA

CAC Recommendation: A major watershed district project which focuses on flooding issues such as high sedimentation in an intense agricultural area. Cooperators include local, state, federal and international partners who recognize the need for long-term water management.

Project Number: B 32 **LCMR Request:** \$1,256,000

Project Title: WATER QUALITY RESTORATION - MINNEAPOLIS LAKES

Requesting Agency: Minneapolis Park and Recreation Board

CAC Recommendation: A cooperative effort with a substantial match to reverse the impact of urban non-point pollution and improve water quality of five metro lakes for fishing and swimming. This is a technically simple solution that will be implemented to solve a severe problem using two urban watersheds.

Project Number: C 2 **LCMR Request:** \$687,400

Project Title: CROP MANAGEMENT TO MINIMIZE PESTICIDE INPUTS IN MINNESOTA

Requesting Agency: UofM

CAC Recommendation: A broad cooperative effort accessing the University Experiment Stations to address the long-term direct and indirect effects of agricultural pesticide use. Strategies and models will be developed for five different crops.

CAC Recommendations

22-Apr-96

Project Number: C 4 **LCMR Request:** \$919,000

Project Title: SUSTAINABLE FARMING SYSTEMS: SHOWING THE ADVANTAGES

Requesting Agency: UofM

CAC Recommendation: This project provides good outreach to at least 1,000 farmers encouraging sustainable farming techniques. Workshops and dissemination are a key component that will ultimately protect important natural resources. Broad cooperation is sought between experts in public, private, farming and non-farming communities.

Project Number: D 1 **LCMR Request:** \$72,000

Project Title: TOXIC EMISSIONS FROM FIRE DEPARTMENT TRAINING

Requesting Agency: FIRE/EMS Center-Metropolitan State Univ

CAC Recommendation: An innovative project which addresses the information gap about toxic substances emitted during fires. It will analyze and pose solutions for toxic chemical emissions and have a widespread impact of saving lives and property while reducing pollution. Major fire fighting associations are cooperators.

Project Number: I 26 **LCMR Request:** \$112,700

Project Title: STATE WOLF MANAGEMENT: ELECTRONICALLY MODERATING THE PUBLIC DISCUSSION

Requesting Agency: International Wolf Center

CAC Recommendation: A cooperative project with state and federal agencies to address the upcoming wolf management strategy by the state prior to its removal from federal protection. The project will access the current electronic technology to disseminate factual information on the wolf to the public and varied stakeholders.

Project Number: J 1 **LCMR Request:** \$350,000

Project Title: ENVIRONMENTAL INDICATORS INITIATIVE-CONTINUATION

Requesting Agency: DNR

CAC Recommendation: Environmental indicators will be established through a broad public/private coordinated effort. Environmental progress is instituted using vital baseline measurements on all ecosystems. It is innovative and has statewide significance which will help local government plan and develop without detrimental effects on the environment.

CAC Recommendations

22-Apr-96

Project Number: J 2 **LCMR Request:** \$380,000

Project Title: MINNESOTA'S FOREST BIRD DIVERSITY INITIATIVE: CONTINUATION

Requesting Agency: DNR

CAC Recommendation: A cooperative effort between the state and the forest and public utility industries which focuses on the scientific data of songbirds to measure the health of the forest ecosystem. It merges business and environmental concerns to preserve the ecological integrity of the forests.

Project Number: K 2 **LCMR Request:** \$98,800

Project Title: MINNESOTA RARE MUSSEL CONSERVATION AND THE FISH CONNECTION

Requesting Agency: UofM

CAC Recommendation: A project that focuses on the lifestyle of three native mussels to minimize the impact of the invasive exotic zebra mussel. The research will provide baseline biological research to design protection strategies and establish an important refugia for source populations of rare mussels.

Project Number: L 3 **LCMR Request:** \$5,000,000

Project Title: NEW MODELS FOR A NATURAL RESOURCES CORRIDOR

Requesting Agency: Land Stewardship Project

CAC Recommendation: This project addressed our high priority of acquiring some natural areas in counties (Washington and Chisago) where there is tremendous development pressure. It fit the strategy of using available and innovative efforts to purchase, transfer and access easements for wildlife habitat. The project manager has a solid reputation working with private landowners. It is well coordinated using the County Biological Survey information and providing education and hosting forums.

Project Number: L 8 **LCMR Request:** \$500,000

Project Title: CLEARWATER CREEK GREENWAY CORRIDOR PROJECT

Requesting Agency: City of Hugo

CAC Recommendation: A comprehensive project that establishes a greenway corridor between two lakes in one of the fastest growing areas in Minnesota. The three surrounding cities (Hugo, Lino Lakes, and Centerville) are cooperating to manage the Clearwater creek greenway with significant matching funds for native planting that will insure high water quality in the Rice Creek watershed district.

CAC Recommendations

22-Apr-96

Project Number: L 9 **LCMR Request:** \$400,000

Project Title: ACQUISITION OF CRITICAL OPEN SPACE THREATENED BY URBANIZATION

Requesting Agency: DNR

CAC Recommendation: A land acquisition project that targets areas with critical and unique resources in high-growth areas. A close fit to the strategy and an effective way to protect the sandplain and surrounding ecosystem. Good cooperative effort among a variety of interests.

Project Number: L 10 **LCMR Request:** \$680,000

Project Title: ARBORETUM LAND ACQUISITION AND OAK SAVANNA RESTORATION

Requesting Agency: UofM

CAC Recommendation: A resource threatened by rapid urbanization. Broad public benefits in an area that has potential for public education regarding the oak savanna ecosystem.

Project Number: M 1 **LCMR Request:** \$977,500

Project Title: CREATING SUSTAINABLE WOODLANDS ON PRIVATE LAND

Requesting Agency: MN Forestry Association

CAC Recommendation: An innovative matching fund program that works with private non-industrial landowners to develop and implement forest stewardship. It provides an opportunity to leverage conservation on private lands.

Project Number: M 2 **LCMR Request:** \$1,000,000

Project Title: RIM - CRITICAL HABITAT ACQUISITION AND ENHANCEMENT

Requesting Agency: DNR

CAC Recommendation: This project had the broadest support from the CAC members because it is statewide and addresses many strategies. It focuses on critical habitat that is essential for a high quality environment. It provides opportunity for private and local initiatives and leverages significant matching funds.

CAC Recommendations

22-Apr-96

Project Number: M 7 LCMR Request: \$1,200,000

Project Title: MINNESOTA COUNTY BIOLOGICAL SURVEY-CONTINUATION

Requesting Agency: DNR

CAC Recommendation: A continuation project that provides information for development and preservation targeting the areas of greatest need. This information is integral to the Geographic Information System (GIS) and for protection of critical habitat. It demonstrates good cooperation and planning efforts with local governments, landowners, and developers. It is critical to all watershed projects. It won the national award from the Nature Conservancy in 1995.

Project Number: M 12 LCMR Request: \$500,000

Project Title: RIM - SCIENTIFIC AND NATURAL AREAS AND PRAIRIE BANK ACQUISITION

Requesting Agency: DNR

CAC Recommendation: The project fits the mission of the Environmental Trust Fund through protection of natural resources. It acquires rare ecologically diverse areas and addresses multiple strategies.

Project Number: M ACCESS 1 LCMR Request: \$400,000

Project Title: FISHING PIER AND PUBLIC SHORE ACCESS

Requesting Agency: DNR

CAC Recommendation: Public access projects provide opportunities for statewide lake enthusiasts. The fishing piers are an important community asset especially in urban areas. Public access also gives lake access to disabled and economically disadvantaged individuals. It is perceived as a highly visible use of trust funds.

Project Number: O 1 LCMR Request: \$300,000

Project Title: MINNESOTA RELEAF TREE PLANTING AND PRESERVATION GRANT PROGRAM

Requesting Agency: DNR

CAC Recommendation: A good matching grant project that actively plants native trees and expands efforts on preventing oak wilt. It reaches communities statewide.

CAC Recommendations

22-Apr-96

Project Number: O 7 **LCMR Request:** \$165,007

Project Title: RESTORING WHITE PINE IN THE MINNESOTA LANDSCAPE

Requesting Agency: UofM

CAC Recommendation: The project implements available research to re-establish the white pine taking into account the regional problems and solutions. It acknowledges the immediate need to restore the white pine for ecological, economical, and tourism needs.

Project Number: P 1 **LCMR Request:** \$250,000

Project Title: BALLAST WATER TECHNOLOGY DEMONSTRATION FOR EXOTIC SPECIES CONTROL

Requesting Agency: Seaway Port Authority of Duluth

CAC Recommendation: A technologically innovative project dealing with the urgent problem of zebra mussels and other exotic species being released through ballast water. It has state, local, and international cooperators and provides significant matching funds.

Project Number: P 2 **LCMR Request:** \$150,000

Project Title: BIOLOGICAL CONTROL OF EURASIAN WATERMILFOIL AND PURPLE LOOSESTRIFE-CONTINUATION

Requesting Agency: DNR

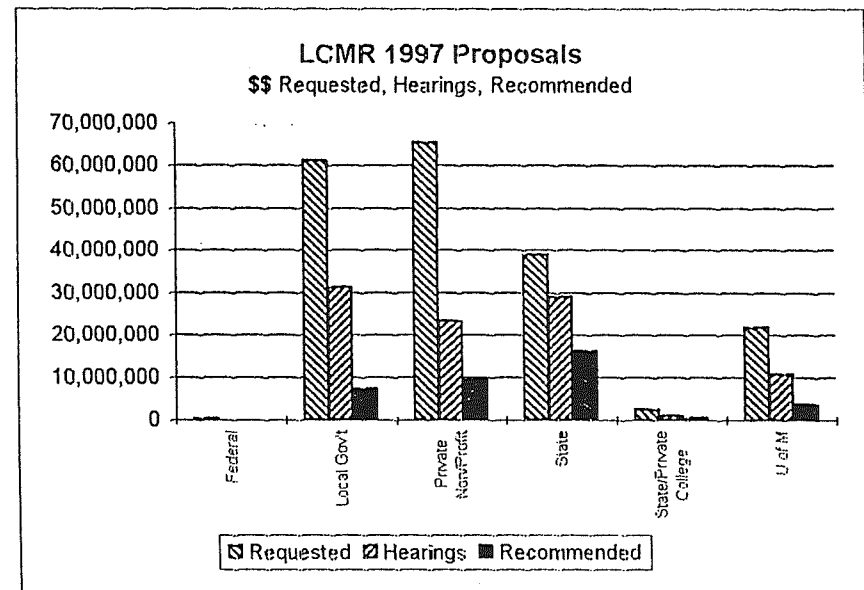
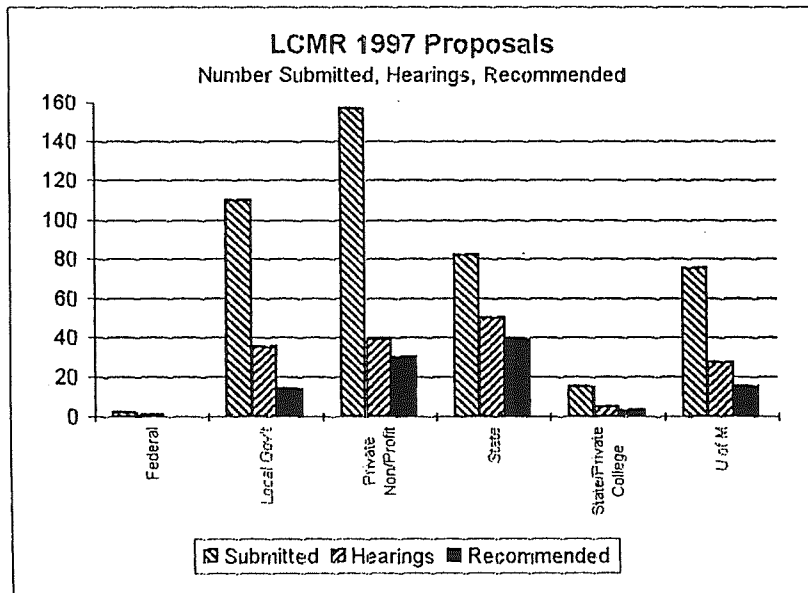
CAC Recommendation: This is a good cooperative project that addresses the statewide effort to control invasive exotic plants that are a serious threat to Minnesota's aquatic ecosystems.

LCMR 1997 Proposals

Submitted, Selected for Hearing and Recommended

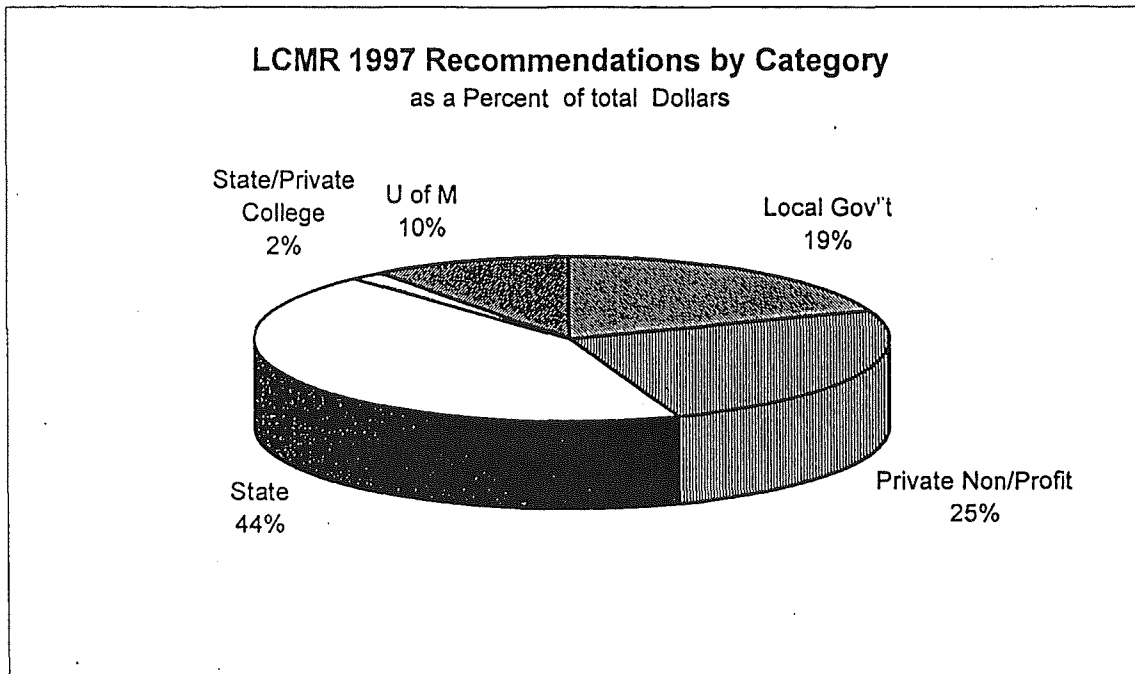
Category	Number of Proposals		
	Submitted	Selected for Hearing	Recommended
Federal	2	1	0
Local Gov't	110	35	14
Private Non/Profit	157	39	30
State	82	50	39
State/Private College	15	5	3
U of M	75	27	15
Total	441	157	101

Category	Dollar amounts of Proposals		
	Requested	Selected for Hearing	Recommended
Federal	157,000	70,000	0
Local Gov't	61,135,906	31,090,089	7,125,000
Private Non/Profit	65,279,875	23,269,583	9,140,000
State	38,929,902	28,969,962	15,995,000
State/Private College	2,420,300	1,110,300	615,000
U of M	21,830,736	10,659,497	3,781,000
Total	189,753,719	95,169,431	36,656,000



LCMR 1997 Recommendeds by Category

Category	\$\$ Recommended	Percent of \$\$ Recommended	Number Recommended
Local Gov't	7,125,000	19%	14
Private Non/Profit	9,140,000	25%	30
State	15,995,000	44%	39
State/Private College	615,000	2%	3
U of M	3,781,000	10%	15
Total	36,656,000	100%	101



LCMR 1997 Recommended Projects

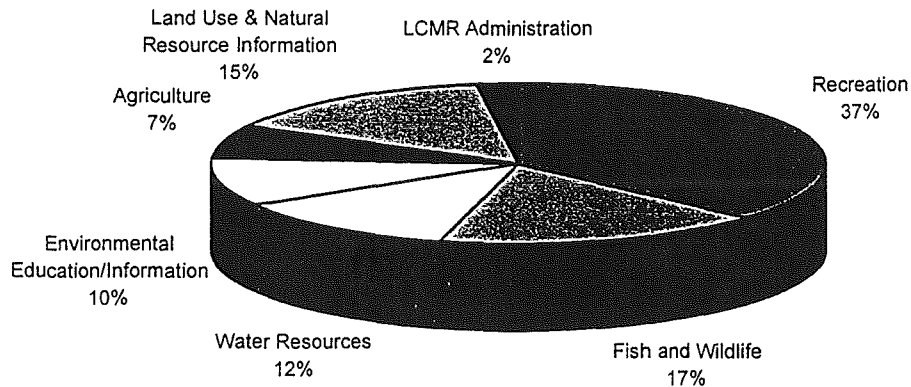
as of August 2, 1996

Funding Sources:

Environment and Natural Resources Trust Fund (TF)	20,950,000
Minnesota Future Resources Fund (FRF)	15,656,000
Great Lakes Protection Account (GL)	50,000
TOTAL	36,656,000

By Issue Areas	Amount Recommended	Number of Projects
Recreation	13,455,000	15
Fish and Wildlife	6,386,000	19
Water Resources	4,455,000	17
Environmental Education/Information	3,635,000	15
Agriculture	2,460,000	11
Land Use & Natural Resource Information	5,465,000	22
LCMR Administration	800,000	1
	36,656,000	100

LCMR 1997 Recommendations by Issue Area
as a Percent of Total Dollars Recommended



Recommendations Total \$36,656,000

LCMR 1997 Recommended Projects as of August 2, 1996

By Issue Areas

Funding Sources:

Environment and Natural Resources Trust Fund (TF)	20,950,000
Minnesota Future Resources Fund (FRF)	15,656,000
Great Lakes Protection Account (GL)	50,000
TOTAL	36,656,000

Subd.

3 LCMR Administration	800,000	TF/FRF
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Recreation 15 Projects

	13,455,000	
4 (a) State Park & Recreation Area Acquisition, Development, Betterment & Rehab.	3,500,000	TF
4 (b) Metropolitan Regional Park System	3,500,000	TF
4 (c) Local Initiatives Grants Program	2,900,000	FRF
5 (a) Ft. Snelling State Park - Upper Bluff Utilization and AYH Hostel	250,000	TF
5 (c) Jeffers Petroglyphs Environmental Assessment and Prairie Restoration	125,000	FRF
5 (d) Mill Ruins Park Archaeological Investigation and Feasibility Study	75,000	FRF
5 (f) Development of Birch Coulee State Historic Site	270,000	TF
5 (g) Wendelin and Julianna Grimm Farm Restoration	200,000	FRF
5 (l) Soudan Underground Physics Laboratory Expansion	400,000	FRF
9 (e) North Minneapolis Upper River Master Plan	300,000	FRF
12 (b) Renewable Energy Demonstration and Education in State Parks	230,000	TF
17 (o) Fishing Pier and Public Shore Access	355,000	TF
17 (p) Public Boat Access	350,000	TF
18 (a) Mesabi Trail Land Acquisition and Development	600,000	FRF
18 (b) Chippewa County Regional Trail	400,000	FRF

Fish and Wildlife 19 Projects

	6,386,000	
10 (c) Wolf Management Plan	100,000	FRF
13 (h) Catch and Release	20,000	FRF
14 (b) Minnesota's Forest Bird Diversity Initiative: Continuation	350,000	TF
14 (d) Stream Habitat Protection: Continuation	225,000	TF
14 (f) Loons: Indicators of Mercury in the Environment	230,000	TF
15 (a) Improved Decisions for Walleye Stocking and Special Regulations	200,000	FRF
15 (b) Minnesota Rare Mussel Conservation	86,000	FRF
17 (a) Sustainable Woodlands on Private Lands	875,000	FRF
17 (c) Prairie Heritage Fund	500,000	TF
17 (g) Savanna Restoration for Sharptail Grouse	30,000	FRF
17 (h) RIM - Critical Habitat Acquisition and Enhancement	400,000	TF
17 (i) RIM - Wildlife Habitat Stewardship	400,000	TF
17 (j) Scientific and Natural Area Acquisition	200,000	TF
17 (k) RIM - Wildlife Habitat Acquisition	500,000	TF
17 (l) RIM - Accelerate Fisheries Acquisition	500,000	TF
17 (m) Minnesota County Biological Survey - Continuation	1,170,000	TF
17 (q) Fisheries Statewide Hatchery Rehabilitation	400,000	TF
19 (c) Prairie and Oak Savanna Restoration	50,000	FRF
20 (b) Biological Control of Eurasian Watermilfoil and Purple Loosestrife - Continuation	150,000	TF

Water Resources 17 Projects

	4,455,000	
6 (a) On-Site Sewage Treatment Alternatives and Technology Transfer	500,000	FRF
6 (c) Snake River Watershed BMP's	100,000	FRF
6 (d) Evaluation of Watershed-Based Watershed District Management	150,000	FRF
6 (f) Sustainable Lake Plans	270,000	TF
6 (g) Lakeshore Restoration - Minneapolis Chain of Lakes	300,000	TF
6 (h) Atmospheric and Nonpoint Pollution Trends in Minnesota Lakes	325,000	TF
9 (f) Preventing Stormwater Runoff Problems through Watershed Land Design	250,000	FRF
9 (g) Miller Creek Watershed Management	100,000	TF
10 (b) Metropolitan Area Groundwater Model	300,000	TF
10 (d) Minnesota River Basin Natural Resource Data	250,000	TF
12 (g) Evaluate Riparian Forests for the Minnesota River	300,000	TF
14 (c) Water Quality Indicators of Endocrine Disrupting Chemicals	250,000	TF
14 (e) Wetland Ecosystems Monitoring	160,000	FRF
14 (g) Training and Research Vessel for Lake Superior	250,000	TF/GL
17 (b) Cannon River Watershed: Integrated Management	350,000	FRF
17 (d) Phalen Area Wetland Restoration, Phase II	400,000	TF
20 (a) Ballast Water Technology Demonstration for Exotic Species Control	200,000	FRF

Environmental Education/Information		15 Projects	3,635,000	
5 (h)	White Oak Learning Center Environmental Awareness through History		125,000	FRF
5 (i)	Historical and Cultural Museum on Vermilion Lake Indian Reservation		100,000	FRF
5 (j)	Native American Perspective of the Historic North Shore		60,000	FRF
5 (k)	Children's Museum at Judy Garland Birthplace		200,000	FRF
8 (b)	Pollution Prevention Training Program for Industrial Employees		250,000	FRF
12 (e)	Connecting People and Places through Yellow Bikes		75,000	TF
12 (f)	Sustainable Gardening for Minnesota Homes and Communities		400,000	FRF
13 (a)	School Nature Area Project (SNAP)		250,000	TF
13 (b)	Watershed Science: Integrated Research and Education Program		500,000	FRF
13 (c)	Minnesota Frog Watch		300,000	TF
13 (d)	Environmental Service Learning Projects in Minneapolis Schools		100,000	FRF
13 (e)	Partners in Accessible Recreation and Environmental Responsibility		550,000	TF
13 (f)	Environmental Service Learning		100,000	TF
13 (g)	State Wolf Management: Electronically Moderating the Public Discussion		100,000	TF/FRF
17 (e)	Point Douglas Bluffland Acquisition		525,000	FRF
Agriculture		11 Projects	2,460,000	
6 (b)	Nitrate Education and Testing		150,000	TF
7 (a)	Biological Control of Agricultural Pests		200,000	TF
7 (b)	Crop Management to Minimize Pesticide Inputs		300,000	TF
7 (c)	Sustainable Farming Systems		560,000	FRF
7 (d)	Prairie-Grassland Landscapes		125,000	FRF
7 (e)	Reducing Minnesota River Pollution from Lacustrine Soils		250,000	FRF
9 (c)	Reinventing the Agricultural Land Preservation Program		100,000	FRF
12 (c)	Alfalfa Biomass Production		200,000	FRF
12 (d)	Sustainable Development of Wind Energy on Family Farms		200,000	FRF
17 (n)	Peatland Restoration		275,000	FRF
20 (c)	Control of Weeds in Native Wild Rice		100,000	FRF
Land Use & Natural Resource Information		22 Projects	5,465,000	
5 (b)	Protecting Rural Historic Landscapes in High Development Areas		80,000	TF
5 (e)	Planning and Assessment of Small Historic Sites		200,000	FRF
6 (e)	Red River Valley Planning and Management		375,000	TF
8 (a)	Toxic Emissions from Fire Commissioner Training		65,000	FRF
9 (a)	Grants to Local Governments to Assist Natural Resource Decision-Making		150,000	FRF
9 (b)	Evaluation of Urban Growth Economic and Environmental Costs and Benefits		275,000	FRF
9 (d)	New Models for Land-Use Planning		530,000	TF
10 (a)	Comparative Risks of Multiple Chemical Exposures		150,000	FRF
10 (e)	Land Use Development and Natural Resource Protection Model		400,000	TF
10 (f)	Statewide Digital Soil Database - Phase 1		145,000	FRF
11 (a)	Foundations to Integrated Access to Environmental Information		600,000	FRF
11 (b)	Electronic Access to Minnesota's National Register of Historic Places		150,000	TF
11 (c)	Public Access to Archaeological Knowledge		200,000	FRF
11 (d)	Search and Retrieval System for Natural Resource Data		50,000	FRF
12 (a)	Sustainable Development Assistance for Municipalities through Electric Utilities		250,000	FRF
12 (h)	Economics for Lasting Progress		250,000	FRF
14 (a)	Environmental Indicators Initiative - Continuation		250,000	TF
16 (a)	Sand Dunes State Forest Acquisition		400,000	TF
16 (b)	Arboretum Land Acquisition		450,000	FRF
17 (f)	Minnesota Point Protection		75,000	FRF
19 (a)	Minnesota Releaf Tree Planting and Preservation Grant Program		300,000	FRF
19 (b)	Restoring White Pine in the Minnesota Landscape		120,000	TF

LCMR 1997 Recommendations as of August 2, 1996

From: Environment and Natural Resources Trust Fund		20,950,000
3	LCMR Administration	470,000
4	(a) State Park & Recreation Area Acquisition, Development, Betterment & Rehab.	3,500,000
4	(b) Metropolitan Regional Park System	3,500,000
5	(a) Ft. Snelling State Park - Upper Bluff Utilization and AYH Hostel	250,000
5	(b) Protecting Rural Historic Landscapes in High Development Areas	80,000
5	(f) Development of Birch Coulee State Historic Site	270,000
6	(b) Nitrate Education and Testing	150,000
6	(e) Red River Valley Planning and Management	375,000
6	(f) Sustainable Lake Plans	270,000
6	(g) Lakeshore Restoration - Minneapolis Chain of Lakes	300,000
6	(h) Atmospheric and Nonpoint Pollution Trends in Minnesota Lakes	325,000
7	(a) Biological Control of Agricultural Pests	200,000
7	(b) Crop Management to Minimize Pesticide Inputs	300,000
9	(d) New Models for Land-Use Planning	530,000
9	(g) Miller Creek Watershed Management	100,000
10	(b) Metropolitan Area Groundwater Model	300,000
10	(d) Minnesota River Basin Natural Resource Data	250,000
10	(e) Land Use Development and Natural Resource Protection Model	400,000
11	(b) Electronic Access to Minnesota's National Register of Historic Places	150,000
12	(b) Renewable Energy Demonstration and Education in State Parks	230,000
12	(e) Connecting People and Places through Yellow Bikes	75,000
12	(g) Evaluate Riparian Forests for the Minnesota River	300,000
13	(a) School Nature Area Project (SNAP)	250,000
13	(c) Minnesota Frog Watch	300,000
13	(e) Partners in Accessible Recreation and Environmental Responsibility	550,000
13	(f) Environmental Service Learning	100,000
13	(g) State Wolf Management: Electronically Moderating the Public Discussion	75,000
14	(a) Environmental Indicators Initiative - Continuation	250,000
14	(b) Minnesota's Forest Bird Diversity Initiative: Continuation	350,000
14	(c) Water Quality Indicators of Endocrine Disrupting Chemicals	250,000
14	(d) Stream Habitat Protection: Continuation	225,000
14	(f) Loons: Indicators of Mercury in the Environment	230,000
14	(g) Training and Research Vessel for Lake Superior	200,000
16	(a) Sand Dunes State Forest Acquisition	400,000
17	(c) Prairie Heritage Fund	500,000
17	(d) Phalen Area Wetland Restoration, Phase II	400,000
17	(h) RIM - Critical Habitat Acquisition and Enhancement	400,000
17	(i) RIM - Wildlife Habitat Stewardship	400,000
17	(j) Scientific and Natural Area Acquisition	200,000
17	(k) RIM - Wildlife Habitat Acquisition	500,000
17	(l) RIM - Accelerate Fisheries Acquisition	500,000
17	(m) Minnesota County Biological Survey - Continuation	1,170,000
17	(o) Fishing Pier and Public Shore Access	355,000
17	(p) Public Boat Access	350,000
17	(q) Fisheries Statewide Hatchery Rehabilitation	400,000
19	(b) Restoring White Pine in the Minnesota Landscape	120,000
20	(b) Biological Control of Eurasian Watermilfoil and Purple Loosestrife - Continuation	150,000
From: Great Lakes Protection Account		
14	(g) Training and Research Vessel for Lake Superior	50,000

LCMR 1997 Recommendations as of August 2, 1996

From: Future Resources Fund	15,656,000
Subd.	
3 LCMR Administration	330,000
4 (c) Local Initiatives Grants Program	2,900,000
5 (c) Jeffers Petroglyphs Environmental Assessment and Prairie Restoration	125,000
5 (d) Mill Ruins Park Archaeological Investigation and Feasibility Study	75,000
5 (e) Planning and Assessment of Small Historic Sites	200,000
5 (g) Wendelin and Julianna Grimm Farm Restoration	200,000
5 (h) White Oak Learning Center Environmental Awareness through History	125,000
5 (i) Historical and Cultural Museum on Vermilion Lake Indian Reservation	100,000
5 (j) Native American Perspective of the Historic North Shore	60,000
5 (k) Children's Museum at Judy Garland Birthplace	200,000
5 (l) Soudan Underground Physics Laboratory Expansion	400,000
6 (a) On-Site Sewage Treatment Alternatives and Technology Transfer	500,000
6 (c) Snake River Watershed BMP's	100,000
6 (d) Evaluation of Watershed-Based Watershed District Management	150,000
7 (c) Sustainable Farming Systems	560,000
7 (d) Prairie-Grassland Landscapes	125,000
7 (e) Reducing Minnesota River Pollution from Lacustrine Soils	250,000
8 (a) Toxic Emissions from Fire Commissioner Training	65,000
8 (b) Pollution Prevention Training Program for Industrial Employees	250,000
9 (a) Grants to Local Governments to Assist Natural Resource Decision-Making	150,000
9 (b) Evaluation of Urban Growth Economic and Environmental Costs and Benefits	275,000
9 (c) Reinventing the Agricultural Land Preservation Program	100,000
9 (e) North Minneapolis Upper River Master Plan	300,000
9 (f) Preventing Stormwater Runoff Problems through Watershed Land Design	250,000
10 (a) Comparative Risks of Multiple Chemical Exposures	150,000
10 (c) Wolf Management Plan	100,000
10 (f) Statewide Digital Soil Database - Phase 1	145,000
11 (a) Foundations to Integrated Access to Environmental Information	600,000
11 (c) Public Access to Archaeological Knowledge	200,000
11 (d) Search and Retrieval System for Natural Resource Data	50,000
12 (a) Sustainable Development Assistance for Municipalities through Electric Utilities	250,000
12 (c) Alfalfa Biomass Production	200,000
12 (d) Sustainable Development of Wind Energy on Family Farms	200,000
12 (f) Sustainable Gardening for Minnesota Homes and Communities	400,000
12 (h) Economics for Lasting Progress	250,000
13 (b) Watershed Science: Integrated Research and Education Program	500,000
13 (d) Environmental Service Learning Projects in Minneapolis Schools	100,000
13 (g) State Wolf Management: Electronically Moderating the Public Discussion	25,000
13 (h) Catch and Release	20,000
14 (e) Wetland Ecosystems Monitoring	160,000
15 (a) Improved Decisions for Walleye Stocking and Special Regulations	200,000
15 (b) Minnesota Rare Mussel Conservation	86,000
16 (b) Arboretum Land Acquisition	450,000
17 (a) Sustainable Woodlands on Private Lands	875,000
17 (b) Cannon River Watershed: Integrated Management	350,000
17 (e) Point Douglas Bluffland Acquisition	525,000
17 (f) Minnesota Point Protection	75,000
17 (g) Savanna Restoration for Sharptail Grouse	30,000
17 (n) Peatland Restoration	275,000
18 (a) Mesabi Trail Land Acquisition and Development	600,000
18 (b) Chippewa County Regional Trail	400,000
19 (a) Minnesota Releaf Tree Planting and Preservation Grant Program	300,000
19 (c) Prairie and Oak Savanna Restoration	50,000
20 (a) Ballast Water Technology Demonstration for Exotic Species Control	200,000
20 (c) Control of Weeds in Native Wild Rice	100,000

LCMR 1997 Recommendations

as of August 2, 1997

Funding Sources:

Environment and Natural Resources Trust Fund (TF)	20,950,000
Minnesota Future Resources Fund (FRF)	15,656,000
Great Lakes Protection Account (GL)	50,000
TOTAL	36,656,000

Sorted by **Metro, Regional** and **Statewide** categories

Subd.

Metro	7,275,000	19.8%
4 (b) Metropolitan Regional Park System	3,500,000	TF
5 (a) Ft. Snelling State Park - Upper Bluff Utilization and AYH Hostel	250,000	TF
5 (d) Mill Ruins Park Archaeological Investigation and Feasibility Study	75,000	FRF
5 (g) Wendelin and Julianna Grimm Farm Restoration	200,000	FRF
6 (g) Lakeshore Restoration - Minneapolis Chain of Lakes	300,000	TF
9 (e) North Minneapolis Upper River Master Plan	300,000	FRF
9 (f) Preventing Stormwater Runoff Problems through Watershed Land Design	250,000	FRF
10 (b) Metropolitan Area Groundwater Model	300,000	TF
12 (e) Connecting People and Places through Yellow Bikes	75,000	TF
13 (b) Watershed Science: Integrated Research and Education Program	500,000	FRF
13 (d) Environmental Service Learning Projects in Minneapolis Schools	100,000	FRF
16 (b) Arboretum Land Acquisition	450,000	FRF
17 (d) Phalen Area Wetland Restoration, Phase II	400,000	TF
17 (e) Point Douglas Bluffland Acquisition	525,000	FRF
19 (c) Prairie and Oak Savanna Restoration	50,000	FRF
Regional	11,945,000	32.6%
5 (b) Protecting Rural Historic Landscapes in High Development Areas	80,000	TF
5 (c) Jeffers Petroglyphs Environmental Assessment and Prairie Restoration	125,000	FRF
5 (e) Planning and Assessment of Small Historic Sites	200,000	FRF
5 (f) Development of Birch Coulee State Historic Site	270,000	TF
5 (h) White Oak Learning Center Environmental Awareness through History	125,000	FRF
5 (i) Historical and Cultural Museum on Vermilion Lake Indian Reservation	100,000	FRF
5 (j) Native American Perspective of the Historic North Shore	60,000	FRF
5 (k) Children's Museum at Judy Garland Birthplace	200,000	FRF
5 (l) Soudan Underground Physics Laboratory Expansion	400,000	FRF
6 (b) Nitrate Education and Testing	150,000	TF
6 (c) Snake River Watershed BMP's	100,000	FRF
6 (e) Red River Valley Planning and Management	375,000	TF
6 (f) Sustainable Lake Plans	270,000	TF
6 (h) Atmospheric and Nonpoint Pollution Trends in Minnesota Lakes	325,000	TF
7 (a) Biological Control of Agricultural Pests	200,000	TF
7 (b) Crop Management to Minimize Pesticide Inputs	300,000	TF
7 (c) Sustainable Farming Systems	560,000	FRF
7 (d) Prairie-Grassland Landscapes	125,000	FRF
7 (e) Reducing Minnesota River Pollution from Lacustrine Soils	250,000	FRF
9 (c) Reinventing the Agricultural Land Preservation Program	100,000	FRF
9 (d) New Models for Land-Use Planning	530,000	TF
9 (g) Miller Creek Watershed Management	100,000	TF
10 (c) Wolf Management Plan	100,000	FRF
10 (d) Minnesota River Basin Natural Resource Data	250,000	TF
10 (e) Land Use Development and Natural Resource Protection Model	400,000	TF
12 (a) Sustainable Development Assistance for Municipalities through Electric Utilities	250,000	FRF
12 (c) Alfalfa Biomass Production	200,000	FRF
12 (d) Sustainable Development of Wind Energy on Family Farms	200,000	FRF
12 (f) Sustainable Gardening for Minnesota Homes and Communities	400,000	FRF
12 (g) Evaluate Riparian Forests for the Minnesota River	300,000	TF

Regional continued

13 (f) Environmental Service Learning	100,000	TF
13 (h) Catch and Release	20,000	FRF
14 (b) Minnesota's Forest Bird Diversity Initiative: Continuation	350,000	TF
14 (f) Loons: Indicators of Mercury in the Environment	230,000	TF
14 (g) Training and Research Vessel for Lake Superior	200,000	TF
14 (g) Training and Research Vessel for Lake Superior	50,000	GL
16 (a) Sand Dunes State Forest Acquisition	400,000	TF
17 (b) Cannon River Watershed: Integrated Management	350,000	FRF
17 (c) Prairie Heritage Fund	500,000	TF
17 (f) Minnesota Point Protection	75,000	FRF
17 (g) Savanna Restoration for Sharptail Grouse	30,000	FRF
17 (k) RIM - Wildlife Habitat Acquisition	500,000	TF
17 (n) Peatland Restoration	275,000	FRF
17 (q) Fisheries Statewide Hatchery Rehabilitation	400,000	TF
18 (a) Mesabi Trail Land Acquisition and Development	600,000	FRF
18 (b) Chippewa County Regional Trail	400,000	FRF
19 (b) Restoring White Pine in the Minnesota Landscape	120,000	TF
20 (a) Ballast Water Technology Demonstration for Exotic Species Control	200,000	FRF
20 (c) Control of Weeds in Native Wild Rice	100,000	FRF

Statewide

	17,436,000	47.6%
3 LCMR Administration	330,000	FRF
3 LCMR Administration	470,000	TF
4 (a) State Park & Recreation Area Acquisition, Development, Betterment & Rehab.	3,500,000	TF
4 (c) Local Initiatives Grants Program	2,900,000	FRF
6 (a) On-Site Sewage Treatment Alternatives and Technology Transfer	500,000	FRF
6 (d) Evaluation of Watershed-Based Watershed District Management	150,000	FRF
8 (a) Toxic Emissions from Fire Commissioner Training	65,000	FRF
8 (b) Pollution Prevention Training Program for Industrial Employees	250,000	FRF
9 (a) Grants to Local Governments to Assist Natural Resource Decision-Making	150,000	FRF
9 (b) Evaluation of Urban Growth Economic and Environmental Costs and Benefits	275,000	FRF
10 (a) Comparative Risks of Multiple Chemical Exposures	150,000	FRF
10 (f) Statewide Digital Soil Database - Phase 1	145,000	FRF
11 (a) Foundations to Integrated Access to Environmental Information	600,000	FRF
11 (b) Electronic Access to Minnesota's National Register of Historic Places	150,000	TF
11 (c) Public Access to Archaeological Knowledge	200,000	FRF
11 (d) Search and Retrieval System for Natural Resource Data	50,000	FRF
12 (b) Renewable Energy Demonstration and Education in State Parks	230,000	TF
12 (h) Economics for Lasting Progress	250,000	FRF
13 (a) School Nature Area Project (SNAP)	250,000	TF
13 (c) Minnesota Frog Watch	300,000	TF
13 (e) Partners in Accessible Recreation and Environmental Responsibility	550,000	TF
13 (g) State Wolf Management: Electronically Moderating the Public Discussion	100,000	TF/FRF
14 (a) Environmental Indicators Initiative - Continuation	250,000	TF
14 (c) Water Quality Indicators of Endocrine Disrupting Chemicals	250,000	TF
14 (d) Stream Habitat Protection: Continuation	225,000	TF
14 (e) Wetland Ecosystems Monitoring	160,000	FRF
15 (a) Improved Decisions for Walleye Stocking and Special Regulations	200,000	FRF
15 (b) Minnesota Rare Mussel Conservation	86,000	FRF
17 (a) Sustainable Woodlands on Private Lands	875,000	FRF
17 (h) RIM - Critical Habitat Acquisition and Enhancement	400,000	TF
17 (i) RIM - Wildlife Habitat Stewardship	400,000	TF
17 (j) Scientific and Natural Area Acquisition	200,000	TF
17 (l) RIM - Accelerate Fisheries Acquisition	500,000	TF
17 (m) Minnesota County Biological Survey - Continuation	1,170,000	TF
17 (o) Fishing Pier and Public Shore Access	355,000	TF
17 (p) Public Boat Access	350,000	TF
19 (a) Minnesota Releaf Tree Planting and Preservation Grant Program	300,000	FRF
20 (b) Biological Control of Eurasian Watermilfoil and Purple Loosestrife - Continuation	150,000	TF

From: Environment and Natural Resources Trust Fund

20,950,000

Sorted by Metro, Regional and Statewide categories

Metro	5,295,000	25.3%
3 LCMR Administration	470,000	TF
4 (b) Metropolitan Regional Park System	3,500,000	TF
5 (a) Ft. Snelling State Park - Upper Bluff Utilization and AYH Hostel	250,000	TF
6 (g) Lakeshore Restoration - Minneapolis Chain of Lakes	300,000	TF
10 (b) Metropolitan Area Groundwater Model	300,000	TF
12 (e) Connecting People and Places through Yellow Bikes	75,000	TF
17 (d) Phalen Area Wetland Restoration, Phase II	400,000	TF
Regional	6,350,000	30.3%
5 (b) Protecting Rural Historic Landscapes in High Development Areas	80,000	TF
5 (f) Development of Birch Coulee State Historic Site	270,000	TF
6 (b) Nitrate Education and Testing	150,000	TF
6 (e) Red River Valley Planning and Management	375,000	TF
6 (f) Sustainable Lake Plans	270,000	TF
6 (h) Atmospheric and Nonpoint Pollution Trends in Minnesota Lakes	325,000	TF
7 (a) Biological Control of Agricultural Pests	200,000	TF
7 (b) Crop Management to Minimize Pesticide Inputs	300,000	TF
9 (d) New Models for Land-Use Planning	530,000	TF
9 (g) Miller Creek Watershed Management	100,000	TF
10 (d) Minnesota River Basin Natural Resource Data	250,000	TF
10 (e) Land Use Development and Natural Resource Protection Model	400,000	TF
12 (g) Evaluate Riparian Forests for the Minnesota River	300,000	TF
13 (f) Environmental Service Learning	100,000	TF
14 (b) Minnesota's Forest Bird Diversity Initiative: Continuation	350,000	TF
14 (f) Loons: Indicators of Mercury in the Environment	230,000	TF
14 (g) Training and Research Vessel for Lake Superior	200,000	TF/GL
16 (a) Sand Dunes State Forest Acquisition	400,000	TF
17 (c) Prairie Heritage Fund	500,000	TF
17 (k) RIM - Wildlife Habitat Acquisition	500,000	TF
17 (q) Fisheries Statewide Hatchery Rehabilitation	400,000	TF
19 (b) Restoring White Pine in the Minnesota Landscape	120,000	TF
Statewide	9,305,000	44.4%
4 (a) State Park & Recreation Area Acquisition, Development, Betterment & Rehab.	3,500,000	TF
11 (b) Electronic Access to Minnesota's National Register of Historic Places	150,000	TF
12 (b) Renewable Energy Demonstration and Education in State Parks	230,000	TF
13 (a) School Nature Area Project (SNAP)	250,000	TF
13 (c) Minnesota Frog Watch	300,000	TF
13 (e) Partners in Accessible Recreation and Environmental Responsibility	550,000	TF
13 (g) State Wolf Management: Electronically Moderating the Public Discussion	75,000	TF/FRF
14 (a) Environmental Indicators Initiative - Continuation	250,000	TF
14 (c) Water Quality Indicators of Endocrine Disrupting Chemicals	250,000	TF
14 (d) Stream Habitat Protection: Continuation	225,000	TF
17 (h) RIM - Critical Habitat Acquisition and Enhancement	400,000	TF
17 (i) RIM - Wildlife Habitat Stewardship	400,000	TF
17 (j) Scientific and Natural Area Acquisition	200,000	TF
17 (l) RIM - Accelerate Fisheries Acquisition	500,000	TF
17 (m) Minnesota County Biological Survey - Continuation	1,170,000	TF
17 (o) Fishing Pier and Public Shore Access	355,000	TF
17 (p) Public Boat Access	350,000	TF
20 (b) Biological Control of Eurasian Watermilfoil and Purple Loosestrife - Continuation	150,000	TF

From: Great Lakes Protection Account

Regional

14 (g) Training and Research Vessel for Lake Superior	50,000	GL
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From: Future Resources Fund

15,656,000

Sorted by Metro, Regional and Statewide categories

Subd.			
Metro		2,780,000	17.8%
3 LCMR Administration	330,000	FRF	
5 (d) Mill Ruins Park Archaeological Investigation and Feasibility Study	75,000	FRF	
5 (g) Wendelin and Julianna Grimm Farm Restoration	200,000	FRF	
9 (e) North Minneapolis Upper River Master Plan	300,000	FRF	
9 (f) Preventing Stormwater Runoff Problems through Watershed Land Design	250,000	FRF	
13 (b) Watershed Science: Integrated Research and Education Program	500,000	FRF	
13 (d) Environmental Service Learning Projects in Minneapolis Schools	100,000	FRF	
16 (b) Arboretum Land Acquisition	450,000	FRF	
17 (e) Point Douglas Bluffland Acquisition	525,000	FRF	
19 (c) Prairie and Oak Savanna Restoration	50,000	FRF	
Regional		5,545,000	35.4%
5 (c) Jeffers Petroglyphs Environmental Assessment and Prairie Restoration	125,000	FRF	
5 (e) Planning and Assessment of Small Historic Sites	200,000	FRF	
5 (h) White Oak Learning Center Environmental Awareness through History	125,000	FRF	
5 (i) Historical and Cultural Museum on Vermilion Lake Indian Reservation	100,000	FRF	
5 (j) Native American Perspective of the Historic North Shore	60,000	FRF	
5 (k) Children's Museum at Judy Garland Birthplace	200,000	FRF	
5 (l) Soudan Underground Physics Laboratory Expansion	400,000	FRF	
6 (c) Snake River Watershed BMP's	100,000	FRF	
7 (c) Sustainable Farming Systems	560,000	FRF	
7 (d) Prairie-Grassland Landscapes	125,000	FRF	
7 (e) Reducing Minnesota River Pollution from Lacustrine Soils	250,000	FRF	
9 (c) Reinventing the Agricultural Land Preservation Program	100,000	FRF	
10 (c) Wolf Management Plan	100,000	FRF	
12 (a) Sustainable Development Assistance for Municipalities through Electric Utilities	250,000	FRF	
12 (c) Alfalfa Biomass Production	200,000	FRF	
12 (d) Sustainable Development of Wind Energy on Family Farms	200,000	FRF	
12 (f) Sustainable Gardening for Minnesota Homes and Communities	400,000	FRF	
13 (h) Catch and Release	20,000	FRF	
17 (b) Cannon River Watershed: Integrated Management	350,000	FRF	
17 (f) Minnesota Point Protection	75,000	FRF	
17 (g) Savanna Restoration for Sharptail Grouse	30,000	FRF	
17 (n) Peatland Restoration	275,000	FRF	
18 (a) Mesabi Trail Land Acquisition and Development	600,000	FRF	
18 (b) Chippewa County Regional Trail	400,000	FRF	
20 (a) Ballast Water Technology Demonstration for Exotic Species Control	200,000	FRF	
20 (c) Control of Weeds in Native Wild Rice	100,000	FRF	
Statewide		7,331,000	46.8%
4 (c) Local Initiatives Grants Program	2,900,000	FRF	
6 (a) On-Site Sewage Treatment Alternatives and Technology Transfer	500,000	FRF	
6 (d) Evaluation of Watershed-Based Watershed District Management	150,000	FRF	
8 (a) Toxic Emissions from Fire Commissioner Training	65,000	FRF	
8 (b) Pollution Prevention Training Program for Industrial Employees	250,000	FRF	
9 (a) Grants to Local Governments to Assist Natural Resource Decision-Making	150,000	FRF	
9 (b) Evaluation of Urban Growth Economic and Environmental Costs and Benefits	275,000	FRF	
10 (a) Comparative Risks of Multiple Chemical Exposures	150,000	FRF	
10 (f) Statewide Digital Soil Database - Phase 1	145,000	FRF	
11 (a) Foundations to Integrated Access to Environmental Information	600,000	FRF	
11 (c) Public Access to Archaeological Knowledge	200,000	FRF	
11 (d) Search and Retrieval System for Natural Resource Data	50,000	FRF	
12 (h) Economics for Lasting Progress	250,000	FRF	
13 (g) State Wolf Management: Electronically Moderating the Public Discussion	25,000	TF/FRF	
14 (e) Wetland Ecosystems Monitoring	160,000	FRF	
15 (a) Improved Decisions for Walleye Stocking and Special Regulations	200,000	FRF	
15 (b) Minnesota Rare Mussel Conservation	86,000	FRF	
17 (a) Sustainable Woodlands on Private Lands	875,000	FRF	
19 (a) Minnesota Releaf Tree Planting and Preservation Grant Program	300,000	FRF	

LEGISLATIVE COMMISSION ON MINNESOTA RESOURCES

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JOHN VELIN
DIRECTOR

December 30, 1996

TO: Senator Gene Merriam, Co Chair Trust Fund Coalition
and Committee chairs
Nancy Gibson
Judy Erickson
Greta Hesse Gauthier

FROM: John Velin

SUBJECT: Updated information requested by the Trust Fund Coalition

Enclosed are several pieces of information that answer many of the questions raised by the Coalition committee chairs and specific information requested by the legislative and information committees during their meetings on December 10. The following should guide you through the information. Each information piece is marked with #1, 2, etc. which corresponds to the explanation below.

1. QUESTIONS: How much sales tax is generated by the Lottery each year? How long has the sales tax been levied against the Lottery receipts? How are net proceeds defined?

The table "State Lottery Total Sales and In-Lieu of Sales Tax History" (#1) shows the amount of in-lieu sales tax generated from fiscal years 1990-1996 totaling \$131,872,373. If the in-lieu sales tax had not been applied, 40% of the amount would have gone to the Trust Fund totaling \$52,748,949. The flip side of this table breaks out the yearly income/expenses and distribution of the lottery. The in-lieu sales tax goes to the general fund.

MS 297A.259 (attached) was enacted in 1989. Note that lottery tickets are exempt from sales tax but an EQUAL amount in lieu must be sent in to the Department of Revenue. This was part of a broader sales tax bill. The application of an in-lieu sales tax affected the net proceeds to the Trust Fund almost from day one.

Net proceeds is defined in MS 349A.10 Subd. 5 as "... the balance in the lottery fund after transfers to the lottery prize fund and credits to the lottery operations account." See #1 "Minnesota State Lottery Monthly Accounting Summary"

2. QUESTIONS: How much is in the fund, how much has been spent, what is the value, etc.? #2 address the following questions.

How much money has been distributed to the Trust Fund by the lottery since it began? Approximately \$149 million through FY 96. About 7 cents per dollar spent by players on the lottery goes to the Trust Fund.

What is the current value of the Trust Fund? As of the end of FY 1996 it was approximately \$140 million.

How much does the Trust Fund earn? The average return on the Trust Fund investments is 4.5%. The Trust Fund is invested 50/50 in stocks and bonds.

How much has been appropriated to date (through fiscal year 1997)? Approximately \$60.5 million. This dollar amount includes a combination of actual and estimated lottery receipts and trust fund earnings

How much (will be) the total appropriated, including the 1997 recommendations (through fiscal year 1999)? \$81,505,000. This dollar amount includes a combination of actual and estimated lottery receipts and trust fund earnings.

How much can be appropriated through 2000? It is estimated to be approximately \$90 million.

3. QUESTION: How much spendable income would be generated under two different scenarios. Scenario 1 of Lottery receipts of \$24,000,000 /year through the year 2000? and Scenario 2 of Lottery receipts of \$24,000,000 /year indefinitely?

See #3 "Trust Fund Income Projections 2001-2016

Scenario 1: The graph shows annual earnings (spendable income) in the mid \$20 million range by the year 2016 under Scenario 1 - this is present law and present Constitution with estimated earnings provided by the State Board of Investment.

Scenario 2, if the constitutional dedication is extended, estimated annual earnings by 2016 are in the mid \$50 million range

Note the net difference: \$219 million more of spendable earnings under scenario 2 through the year 2016. In addition, the corpus reaches \$1 billion 17 years earlier under scenario 2 .

4. QUESTIONS: What projects have been funded and what projects are recommended? How many nonstate dollars have been leveraged by these projects?

#4 summarizes the Trust Fund projects and recommendations 1991-1999 by issue area in pie chart form. A list of projects by issue area and title is attached to the pie chart. Note the categories are general and most projects could fit into several categories.

Over \$26 million of nonstate cash is documented to be leveraged. This does not include inkind contributions.

A word of caution on the 1997-1999 recommended Trust Fund projects. These are proposed for Trust Fund expenditures and may change after LCMR language adoption on January 8 and final review by the legislature.

5. QUESTIONS: What are the Trust Fund accomplishments?

The first Trust Fund projects were not completed until July 1993. There are three pieces outlining Trust Fund accomplishments. The accomplishments listed are but a small part of trust fund project accomplishments. The accomplishments shown are some which could be easily quantified in categories chosen by the Trust Fund Coalition information committee. The accomplishments and changes which are the result of research or education, for example, are not included here.

The three documents outlining project accomplishments are labeled #5A,B,C.

#5A. July 1991- June 1997. 87 projects funded through fiscal year 1997. Accomplishments are those reported through June 1996 and do not include accomplishments through the end of the project appropriations (June 1997).

#5B. July 1997- June 1999. The projected accomplishments of the 40 projects recommended by the LCMR to the 1997 legislature. These may change.

#5C. July 1991- June 1999. Combines A and B accomplishments. Again, these show both actual and projected.

If you have additional questions or need clarification, please do not hesitate to call.

cc: Senator Steve Morse, Chair LCMR
Legislative Staff:
Peter Wattson

SENATORS: Steven Morse, CHAIR; Dennis Frederickson; Janet Johnson; Gary Laiding; Bob Lessard; Gene Merriam; James Metzen; Leonard Price. **REPRESENTATIVES:** Chuck Brown; Ron Erhardt; Phyllis Kahn; Willard Munger; Dennis Ozment; Tom Rukavina; Loren Solberg.

Greg Knopff
Steve Ernest
Gloria Gunville
Rolf Lund
John Helland
Jim Reinholdz
Cecil Underwood
Ed Werner

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SENATORS: Steven Morse, CHAIR; Dennis Frederickson; Janet Johnson; Gary Laiding; Bob Lessard; Gene Merriam; James Metzen; Leonard Price. **REPRESENTATIVES:** Chuck Brown; Ron Erhardt; Phyllis Kahn; Willard Munger; Dennis Ozment; Tom Rukavina; Loren Solberg.

State Lottery Total Sales and In-Lieu of Sales Tax History

Total by Fiscal Year	Total Sales	In-Lieu of Sales Tax ¹
1990	67,825,593	4,069,578
1991	321,487,363	19,289,242
1992	297,602,893	19,344,186
1993	328,835,922	21,374,335
1994	331,475,147	21,545,886
1995	335,875,077	21,831,883
1996	375,650,142	24,417,263

Fiscal years 1990-96 In-Lieu of Sales Tax totaled 131,872,373

If the Sales Tax had not been applied, 40% of
this amount would have gone to the Trust Fund 52,748,949

¹ These figures are from the:
Minnesota State Lottery Monthly Accounting Summary
Report dated Nov. 9, 1996

1

MINNESOTA STATE LOTTERY

MONTHLY ACCOUNTING SUMMARY

	ANNUAL AMOUNT BY YEAR FY 1990	ANNUAL AMOUNT BY YEAR FY 1991	ANNUAL AMOUNT BY YEAR FY 1992	ANNUAL AMOUNT BY YEAR FY 1993	ANNUAL AMOUNT BY YEAR FY 1994	ANNUAL AMOUNT BY YEAR FY 1995	ANNUAL AMOUNT BY YEAR FY 1996	CURRENT MONTH DECEMBER	CURRENT FISCAL YR DEC YTD	INCEPTION TO DATE APRIL 1990 DECEMBER 1996
INCOME/EXPENSE:										
Instant Sales	\$67,825,593	\$248,811,410	\$205,906,353	\$221,999,991	\$204,216,902	\$206,790,816	\$269,291,063	\$21,739,679	\$132,568,347	\$1,557,410,475
On-Line Sales	-0-	72,675,953	91,696,540	106,835,931	127,258,245	129,084,261	106,359,079	8,002,868	49,891,614	683,801,823
Total Sales	67,825,593	321,487,363	297,602,893	328,835,922	331,475,147	335,875,077	375,650,142	29,742,547	182,459,961	2,241,212,098
In Lieu of Sales Tax	4,069,578	19,289,242	19,344,186	21,374,335	21,545,886	21,831,883	24,417,263	1,933,266	11,859,899	143,732,272
Other Income	721,948	1,381,107	1,189,548	1,069,272	1,202,443	1,066,091	3,283,889	131,469	965,222	11,479,520
Unclmd Przs Pble to St.	-0-	-0-	-0-	-0-	-0-	1,355,277	2,556,178	675,984	2,335,109	6,246,564
Retailer Comm. & Incent.	3,388,000	18,236,198	17,533,322	18,160,627	19,673,485	18,235,373	19,904,003	1,497,932	9,268,754	124,399,762
Prize Game Expense	34,334,800	179,428,852	172,609,012	196,873,180	192,253,677	196,083,422	230,848,350	17,479,780	110,561,704	1,312,992,997
Prize Fund - Compul. Gambl.	-0-	-0-	-0-	-0-	-0-	1,000,000	-0-	-0-	800,000	1,800,000
Administration Expense:										
Compulsive Gambling	100,000	100,000	300,000	300,000	535,000	540,000	540,000	45,000	270,000	2,685,000
All Other	17,540,386	38,933,905	34,355,194	36,052,264	39,300,295	38,572,622	38,533,445	3,173,291	19,614,830	262,902,941
Total Admin Expense	17,640,386	39,033,905	34,655,194	36,352,264	39,835,295	39,112,622	39,073,445	3,218,291	19,884,830	265,587,941
NET PROCEEDS	<u>\$9,114,776</u>	<u>\$66,880,273</u>	<u>\$54,650,727</u>	<u>\$57,144,788</u>	<u>\$59,369,247</u>	<u>\$59,922,591</u>	<u>\$82,134,793</u>	<u>\$5,068,763</u>	<u>\$28,714,887</u>	<u>\$397,932,082</u>
DISTRIBUTION:										
Environment:										
Net Proceeds	\$3,645,910	\$26,752,109	\$21,860,291	\$22,857,915	\$23,747,699	\$23,969,036	\$24,853,917	\$2,027,505	\$11,485,955	\$159,172,832
Unclaimed Prizes	-0-	-0-	-0-	-0-	-0-	542,111	1,022,471	270,394	934,044	2,498,626
TOTAL ENVIR.	3,645,910	26,752,109	21,860,291	22,857,915	23,747,699	24,511,147	25,876,388	2,297,899	12,419,998	161,671,458
General Fund:										
Net Proceeds		9,000,000	32,790,436	34,286,873	35,621,548	35,953,555	37,280,876	3,041,258	17,228,932	202,162,220
In-Lieu of Sales Tax	4,069,578	19,289,242	19,344,186	21,374,335	21,545,886	21,831,883	24,417,263	1,933,266	11,859,899	143,732,272
Unclaimed Prizes	-0-	-0-	-0-	-0-	-0-	813,166	1,533,707	405,590	1,401,065	3,747,938
Compl. Gambling	100,000	100,000	300,000	300,000	535,000	1,540,000	540,000	45,000	1,070,000	4,485,000
TOTAL GENERAL FUND	4,169,578	28,389,242	52,434,622	55,961,208	57,702,434	60,138,604	63,771,846	5,425,114	31,559,897	354,127,430
Other Payments to State	5,468,866	31,128,164	-0-	-0-	-0-	-0-	-0-	-0-	-0-	36,597,030
GRAND TOTAL TO STATE	<u>\$13,284,354</u>	<u>\$86,269,515</u>	<u>\$74,294,913</u>	<u>\$78,819,123</u>	<u>\$81,450,133</u>	<u>\$84,649,751</u>	<u>\$89,648,234</u>	<u>\$7,723,013</u>	<u>\$43,979,895</u>	<u>\$552,395,918</u>

Minnesota Statutes 1996, Table of Chapters

Table of contents for Chapter 297A

297A.259 Lottery tickets; in lieu tax.

Sales of state lottery tickets are exempt from the tax imposed under section 297A.02. The state lottery must on or before the 20th day of each month transmit to the commissioner of revenue an amount equal to the gross receipts from the sale of lottery tickets for the previous month multiplied by the combined tax rate under sections 297A.02, subdivision 1, and 297A.021, subdivision 1. The resulting payment is in lieu of the sales tax that otherwise would be imposed by this chapter. The commissioner shall deposit the money transmitted as provided by section 297A.44 and the money must be treated as other proceeds of the sales tax. Gross receipts for purposes of this section mean the proceeds of the sale of tickets before deduction of a commission or other compensation paid to the vendor or retailer for selling tickets.

HIST: 1Sp1989 c 1 art 12 s 10; 1991 c 233 s 109; 1991 c 291 art 2 s 10

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ENVIRONMENT AND NATURAL RESOURCES TRUST FUND

Status as of June 30, 1996

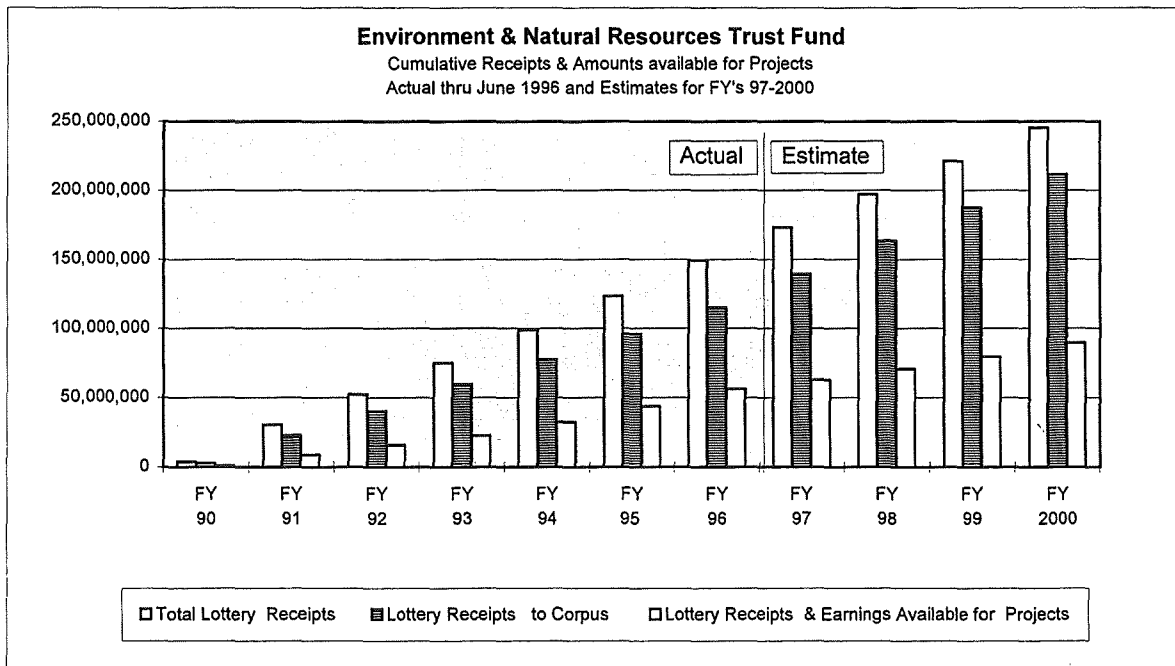
		Trust Fund Earnings &			
		Total Lottery Receipts	Lottery Receipts to Corpus	Lottery Receipts Available for Projects	Trust Fund Earnings Available for Projects
				Lottery Receipts Available for Projects ¹	Trust Fund Earnings Available for Projects ²
Actual	FY 90	3,624,079	2,718,059	906,047	27
""	FY 91	26,773,941	20,080,456	7,933,738	1,240,253
""	FY 92	21,860,290	17,488,232	6,981,446	2,609,388
""	FY 93	22,857,916	19,429,229	6,749,814	3,321,127
""	FY 94	23,747,699	17,810,774	9,872,925	3,936,000
""	FY 95	24,511,147	18,383,360	11,299,992	5,172,205
""	FY 96	25,876,388	19,407,291	12,478,448	6,009,351
Totals		149,251,460	115,317,401	56,222,410	22,288,351

Trust Fund Value at end of FY 96 **140,206,401** This difference represents appreciation in the value of the portfolio.

Estimate	FY 97	24,000,000	24,000,000	6,664,000	0	6,664,000
""	FY 98	24,000,000	24,000,000	7,807,000	0	7,807,000
Finance Dept.	FY 99	24,000,000	24,000,000	8,906,000	0	8,906,000
Est. 11-27-96	FY 2000	24,000,000	24,000,000	10,034,000	0	10,034,000

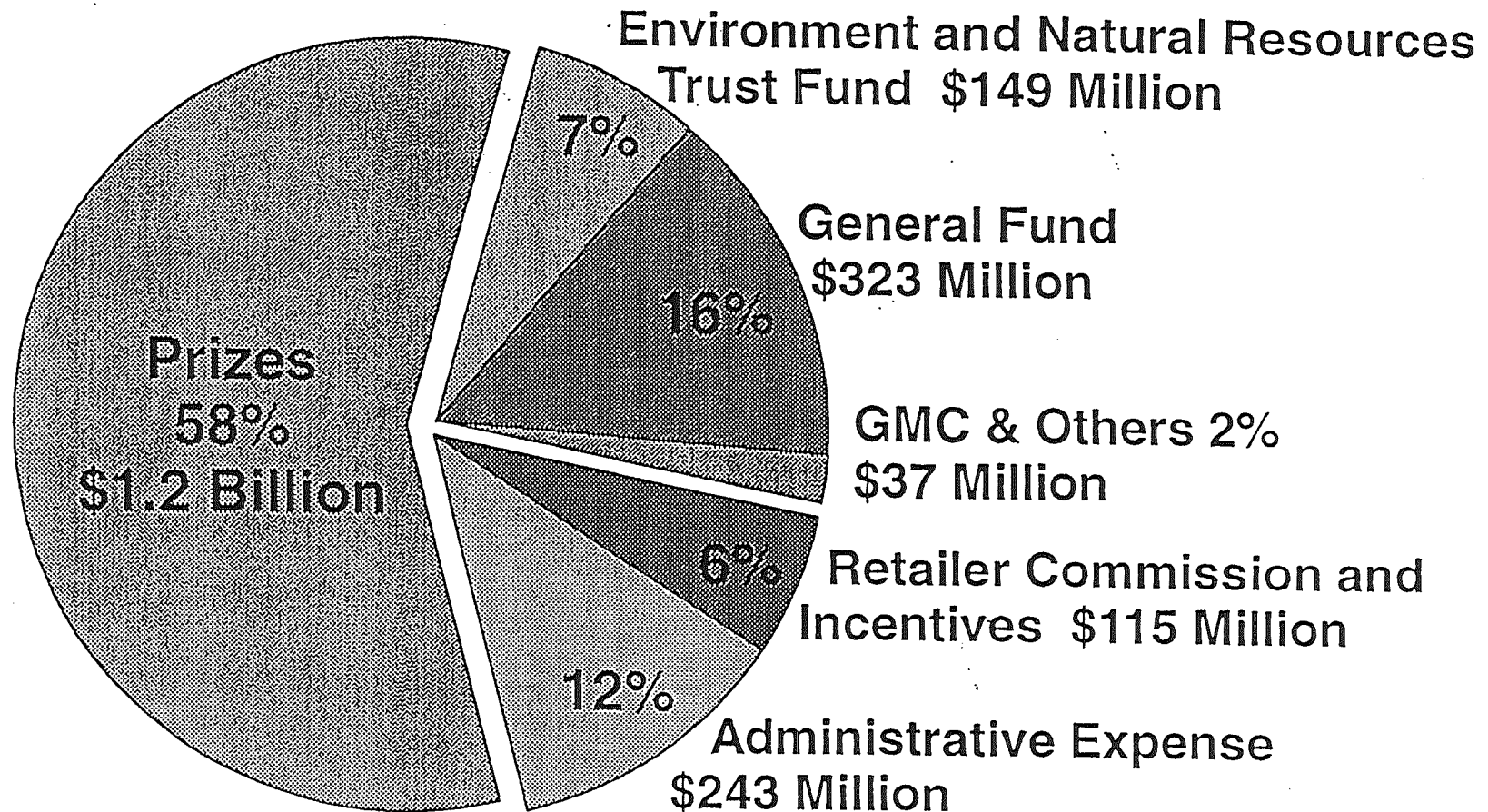
¹ Up to 25% of the Lottery receipts were available for projects thru FY 96, after that all receipts go to Trust Fund

² The Trust Fund is currently invested half in Stocks and half in Bonds



Minnesota State Lottery Revenue Distribution

Startup through Fiscal Year 1996



Total Income: \$2.1 Billion

Total to State: \$508 Million

#2

Trust Fund Income Projections - From years 2001 - 2016 with and without continued Lottery Receipts

Attached is a letter from the State Board of Investment dated July 17, 1996 that provides an estimate of the time needed for the Trust Fund to reach a balance of \$1 Billion.

Projections under two scenarios were presented.

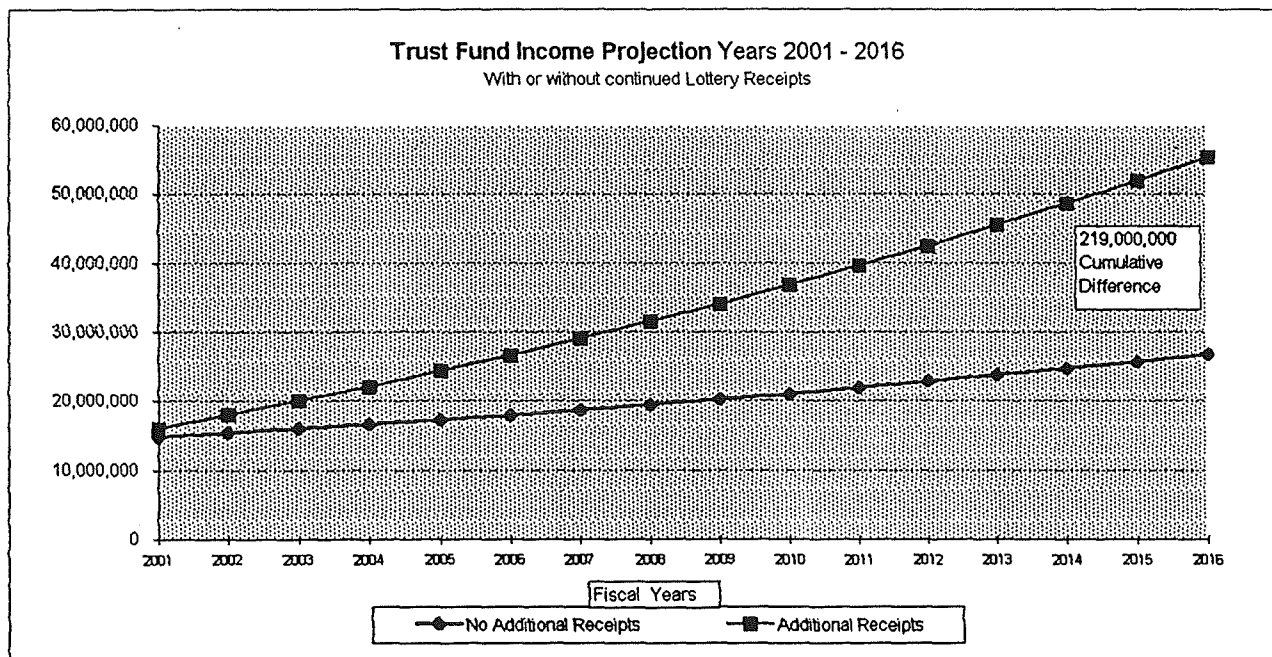
Scenario 1: Lottery receipts of 24,000,000 per year through the year 2000.
Trust fund grows to One Billion by 2033.

Scenario 2: Lottery receipts of 24,000,000 per year indefinitely.
Trust fund grows to One Billion by 2016.

Also included was an estimate of Trust Fund Income.

The graphic below was prepared by LCMR utilizing SBI's Trust Fund Income projection.

Note the assumptions used in the SBI letter.



MINNESOTA
AT
BOARD OF
INVESTMENT



Board Members:

Governor
The H. Carlson

State Auditor
Edi Dutcher

State Treasurer
Michael A. McGrath

Secretary of State
Dan Anderson Growe

Attorney General
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Executive Director:

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Suite 105, MEA Bldg.
55 Sherburne Avenue
St. Paul, MN 55155
(612)296-3328
FAX (612)296-9572

An Equal Opportunity
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July 17, 1996

#3
JUL 22 1996

The Honorable Gene Merriam
Minnesota State Senate
Room 122
State Capitol
St. Paul, MN 55155

Dear Senator Merriam:

This is a follow up to issues you raised at the Legislative Commission on Minnesota Resources (LCMR) meeting on July 16, 1996.

1. Additional Detail on ETF Growth

During the discussion, you requested additional detail on the level of past contributions to Environmental Trust Fund (ETF).

After the close of each fiscal year, we prepare an investment report on the status of the ETF for LCMR staff. It includes information on contributions as well as a review of performance over the prior fiscal year.

Copies of the reports we prepared for FY94 and FY95 are enclosed. We expect to finalize the report for FY96 by September 1 and will forward a copy to you at that time.

2. Time Needed for the ETF to Reach a Balance of \$1 Billion

You asked how long it would take for the ETF to reach a balance of \$1 billion.

As I indicated during the hearing, the projection will depend on the underlying assumptions used in the calculations. The assumptions we used are outlined below:

- The starting point is FY97 and the value of the fund is \$140 million. (This is the approximate value of the fund at the end of FY96.)
- Deposits from the lottery are \$24 million per year. (This is the figure you suggested at the hearing.) To simplify the calculations, we assumed that the entire amount is received at the beginning of the year and split evenly between stocks and bonds.

- Interest and dividend income is based on annual stock yield of 3% and annual bond yield of 7%. (This is similar to the average annual yields available over the last 30 years.) To simplify the calculations, we assumed that the entire accumulation of spendable income is withdrawn at the end of the year.
- Total return on the stock holdings is 11% per year and total return on the bond holdings is 8% per year. (This is consistent with the inputs for long term expected returns that we have used in other analyses.)
- The portfolio is invested 50% in stocks and 50% in bonds. (This is the current asset allocation policy for the ETF.) To simplify the calculations, we assumed that the asset mix is rebalanced annually and is reset at the 50/50 mix at the start of each year.

We then computed projections using two different scenarios regarding on-going contributions to the ETF:

Scenario 1: The ETF receives \$24 million each year from the lottery through the year 2000. In this case, the ETF would grow to \$500 million by 2016 and to \$1 billion by 2033.

Scenario 2: The ETF receives \$24 million each year from the lottery indefinitely. In this case, the ETF would grow to \$500 million by 2006 and to \$1 billion by 2016.

Spreadsheets showing the results for both scenarios are attached.

I hope that this addresses your questions. If you would like further information, please contact us.

Sincerely,



Beth Lehman
Assistant executive Director

BL:lmn

Attachments

cc: ✓ Dave Flipp, LCMR
Lyle Mueller, Dept. of Finance

**ENVIRONMENTAL TRUST FUND
PROJECTIONS OF ANNUAL GROWTH
(Contributions Continue Through 2000)**

Fiscal Year	Stock Beginning Mkt Value	Rate of Return	Contribution to Stock	Stock Ending Mkt Value	Stock Income	Bond Beginning Mkt Value	Rate of Return	Contribution to Bonds	Bond Ending Mkt Value	Bond Income	Total Year-End Mkt Value	Total Year-End Income
1997	70,000,000	11.00%	12,000,000	91,020,000	2,730,600	70,000,000	8.00%	12,000,000	88,560,000	6,199,200	170,650,200	8,929,800
1998	85,325,100	11.00%	12,000,000	108,030,881	3,240,926	85,325,100	8.00%	12,000,000	105,111,108	7,357,778	202,543,266	10,598,703
1999	101,271,633	11.00%	12,000,000	125,731,512	3,771,945	101,271,633	8.00%	12,000,000	122,333,363	8,563,335	235,729,595	12,335,281
2000	117,884,798	11.00%	12,000,000	144,149,925	4,324,498	117,884,798	8.00%	12,000,000	140,253,981	9,817,779	270,261,630	14,142,276
2001	135,130,815	11.00%	0	149,995,205	4,499,856	135,130,815	8.00%	0	145,941,280	10,215,890	281,220,739	14,715,746
2002	140,810,370	11.00%	0	156,077,510	4,882,325	140,810,370	8.00%	0	151,859,199	10,630,144	292,624,240	15,312,469
2003	146,312,120	11.00%	0	162,406,453	4,872,194	146,312,120	8.00%	0	158,017,090	11,061,196	304,490,153	15,933,390
2004	152,245,077	11.00%	0	168,992,035	5,089,761	152,245,077	8.00%	0	164,424,683	11,509,728	316,837,229	16,579,489
2005	158,418,614	11.00%	0	175,844,662	5,275,340	158,418,614	8.00%	0	171,092,104	11,976,447	329,684,978	17,251,787
2006	164,842,489	11.00%	0	182,975,163	5,489,255	164,842,489	8.00%	0	178,029,888	12,462,092	343,053,704	17,951,347
2007	171,526,852	11.00%	0	190,394,806	5,711,844	171,526,852	8.00%	0	185,249,000	12,967,430	356,964,532	18,679,274
2008	178,482,266	11.00%	0	198,115,315	5,943,459	178,482,266	8.00%	0	192,760,847	13,493,259	371,439,444	19,436,719
2009	185,719,722	11.00%	0	206,148,891	6,184,467	185,719,722	8.00%	0	200,577,300	14,040,411	386,501,313	20,224,878
2010	193,250,657	11.00%	0	214,508,229	6,435,247	193,250,657	8.00%	0	208,710,709	14,609,750	402,173,942	21,044,997
2011	201,086,971	11.00%	0	223,206,538	6,696,196	201,086,971	8.00%	0	217,173,928	15,202,175	418,482,095	21,898,371
2012	209,241,047	11.00%	0	232,257,563	6,967,727	209,241,047	8.00%	0	225,980,331	15,818,623	435,461,544	22,786,350
2013	217,725,772	11.00%	0	241,675,607	7,250,268	217,725,772	8.00%	0	235,143,834	16,460,068	453,109,104	23,710,337
2014	226,554,552	11.00%	0	251,475,553	7,544,267	226,554,552	8.00%	0	244,678,916	17,127,524	471,482,678	24,671,791
2015	235,741,339	11.00%	0	261,672,888	7,850,187	235,741,339	8.00%	0	254,600,646	17,822,045	490,601,301	25,672,232
2016	245,300,650	11.00%	0	272,283,722	8,168,512	245,300,650	8.00%	0	264,924,702	18,544,729	510,495,183	26,713,241
2017	255,247,592	11.00%	0	283,324,827	8,499,745	255,247,592	8.00%	0	275,667,399	19,296,718	531,195,763	27,796,463
2018	265,597,882	11.00%	0	294,813,649	8,844,409	265,597,882	8.00%	0	286,845,712	20,079,200	552,735,751	28,923,609
2019	276,367,876	11.00%	0	306,766,342	9,203,050	276,367,876	8.00%	0	298,477,306	20,893,411	575,149,186	30,096,462
2020	287,574,593	11.00%	0	319,207,798	9,576,234	287,574,593	8.00%	0	310,580,560	21,740,639	598,471,485	31,316,873
2021	299,235,743	11.00%	0	332,151,674	9,964,550	299,235,743	8.00%	0	323,174,602	22,622,222	622,739,504	32,586,772
2022	311,369,752	11.00%	0	345,620,425	10,368,613	311,369,752	8.00%	0	336,279,332	23,539,553	647,991,591	33,908,166
2023	323,995,796	11.00%	0	359,635,333	10,789,060	323,995,796	8.00%	0	349,915,459	24,494,082	674,267,650	35,283,142
2024	337,133,825	11.00%	0	374,218,546	11,226,566	337,133,825	8.00%	0	364,104,531	25,487,317	701,609,203	36,713,874
2025	350,804,602	11.00%	0	389,393,108	11,681,793	350,804,602	8.00%	0	378,868,970	26,520,828	730,059,457	38,202,621
2026	365,029,728	11.00%	0	405,182,998	12,155,490	365,029,728	8.00%	0	394,232,107	27,596,247	759,663,368	39,751,737
2027	379,831,684	11.00%	0	421,613,169	12,648,395	379,831,684	8.00%	0	410,218,218	28,715,275	790,467,717	41,363,670
2028	395,233,859	11.00%	0	438,709,583	13,161,287	395,233,859	8.00%	0	426,852,567	29,879,680	822,521,183	43,040,967
2029	411,260,591	11.00%	0	456,499,257	13,694,978	411,260,591	8.00%	0	444,161,439	31,091,301	855,874,417	44,786,278
2030	427,937,208	11.00%	0	475,010,301	14,250,309	427,937,208	8.00%	0	462,172,185	32,352,053	890,580,125	46,602,362
2031	445,290,062	11.00%	0	494,271,969	14,826,159	445,290,062	8.00%	0	480,913,267	33,663,929	926,693,149	48,492,088
2032	463,346,574	11.00%	0	514,314,897	15,429,441	463,346,574	8.00%	0	500,414,300	35,029,001	964,270,556	50,458,442
2033	482,135,278	11.00%	0	535,170,158	16,055,105	482,135,278	8.00%	0	520,706,100	36,449,427	1,003,371,727	52,504,532

ASSUMPTIONS:

- 1) Contributions of \$24,000,000 continue through the year 2000.
- 2) Contributions are received at the beginning of each year and are split 50% stocks and 50% bonds.
- 3) Return of 11% for stocks and 8% for bonds annually.
- 4) Yields of 3.0% for stocks and 7.0% for bonds annually. That income is withdrawn at the end of each year.
- 2) Portfolio is rebalanced to 50% stocks and 50% bonds at the end of each year after the withdrawal of income.

#3

**ENVIRONMENTAL TRUST FUND
PROJECTIONS OF ANNUAL GROWTH
(Contributions Continue Indefinitely)**

Fiscal Year	Stock Beginning Mkt Value	Rate of Return	Contribution to Stock	Stock Ending Mkt Value	Stock Income	Bond Beginning Mkt Value	Rate of Return	Contribution to Bonds	Bond Ending Mkt Value	Bond Income	Total Mkt Value	Total Income
1997	70,000,000	11.00%	12,000,000	91,020,000	2,730,800	70,000,000	8.00%	12,000,000	88,560,000	6,199,200	170,650,200	8,929,800
1998	85,325,100	11.00%	12,000,000	108,030,861	3,240,926	85,325,100	8.00%	12,000,000	105,111,108	7,357,778	202,543,266	10,598,703
1999	101,271,633	11.00%	12,000,000	125,731,512	3,771,945	101,271,633	8.00%	12,000,000	122,333,363	8,563,335	235,729,595	12,335,281
2000	117,864,798	11.00%	12,000,000	144,149,925	4,324,498	117,864,798	8.00%	12,000,000	140,253,981	9,817,779	270,261,630	14,142,276
2001	135,130,815	11.00%	12,000,000	163,315,205	4,899,456	135,130,815	8.00%	12,000,000	158,901,280	11,123,090	308,193,939	16,022,546
2002	153,096,970	11.00%	12,000,000	183,257,636	5,497,729	153,096,970	8.00%	12,000,000	178,304,727	12,481,331	343,583,303	17,979,060
2003	171,791,652	11.00%	12,000,000	204,008,733	6,120,262	171,791,652	8.00%	12,000,000	198,494,984	13,894,649	382,488,806	20,014,911
2004	191,244,403	11.00%	12,000,000	225,601,288	6,768,039	191,244,403	8.00%	12,000,000	219,503,955	15,365,277	422,971,927	22,133,316
2005	211,485,964	11.00%	12,000,000	248,069,420	7,442,083	211,485,964	8.00%	12,000,000	241,364,841	16,895,539	465,096,639	24,337,621
2006	232,548,320	11.00%	12,000,000	271,448,635	8,143,459	232,548,320	8.00%	12,000,000	264,112,185	18,487,853	508,929,508	26,631,312
2007	254,464,754	11.00%	12,000,000	295,775,877	8,873,276	254,464,754	8.00%	12,000,000	287,781,934	20,144,735	554,539,799	29,018,012
2008	277,269,900	11.00%	12,000,000	321,089,589	9,632,688	277,269,900	8.00%	12,000,000	312,411,492	21,868,804	601,999,588	31,501,492
2009	300,999,794	11.00%	12,000,000	347,429,771	10,422,893	300,999,794	8.00%	12,000,000	338,039,778	23,662,784	651,383,872	34,085,678
2010	325,691,936	11.00%	12,000,000	374,838,049	11,245,141	325,691,936	8.00%	12,000,000	364,707,291	25,529,510	702,770,688	36,774,652
2011	351,385,344	11.00%	12,000,000	403,357,732	12,100,732	351,385,344	8.00%	12,000,000	392,456,171	27,471,932	756,241,239	39,572,664
2012	378,120,619	11.00%	12,000,000	433,033,888	12,991,017	378,120,619	8.00%	12,000,000	421,330,269	29,493,119	811,880,021	42,484,135
2013	405,940,011	11.00%	12,000,000	463,913,412	13,917,402	405,940,011	8.00%	12,000,000	451,375,211	31,596,265	869,774,956	45,513,667
2014	434,887,478	11.00%	12,000,000	496,045,101	14,881,353	434,887,478	8.00%	12,000,000	482,638,478	33,784,693	930,017,531	48,666,046
2015	465,008,765	11.00%	12,000,000	529,479,729	15,884,392	465,008,765	8.00%	12,000,000	515,169,466	36,061,863	992,702,941	51,946,255
2016	496,351,471	11.00%	12,000,000	564,270,132	16,928,104	496,351,471	8.00%	12,000,000	549,019,588	38,431,371	1,057,930,246	55,359,475

ASSUMPTIONS:

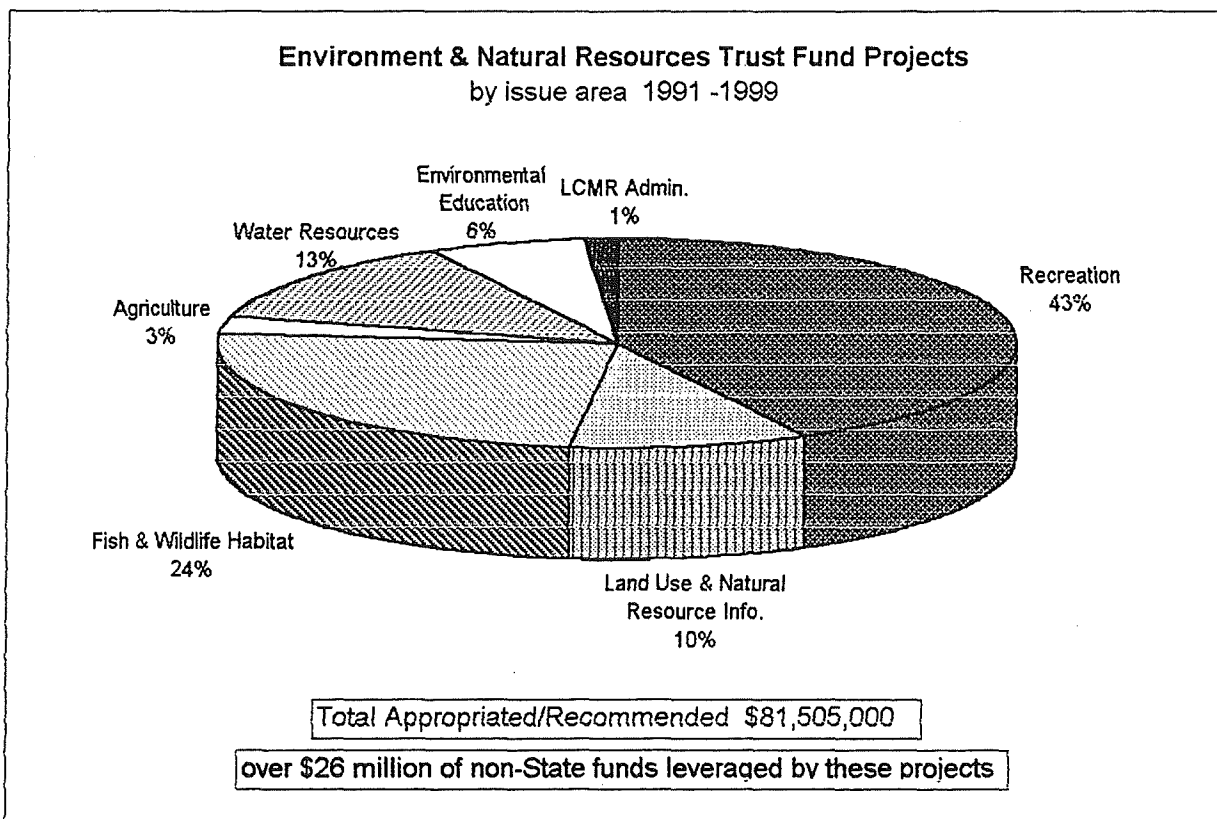
- 1) Contributions of \$24,000,000 continue indefinitely.
- 2) Contributions are received at the beginning of each year and are split 50% stocks and 50% bonds.
- 3) Return of 11% for stocks and 8% for bonds annually.
- 4) Yields of 3.0% for stocks and 7.0% for bonds annually. That income is withdrawn at the end of each year.
- 2) Portfolio is rebalanced to 50% stocks and 50% bonds at the end of each year after the withdrawal of income.

#4

Environment and Natural Resource Trust Fund Projects 1991 - 1999 by Issue Area

Issue Area	Amount
Recreation	34,524,000 (includes 11,137,000 for acquisition)
Land Use & Natural Resource Info.	7,775,000 (includes 500,000 for acquisition)
Fish & Wildlife Habitat	19,932,000 (includes 7,602,000 for acquisition)
Agriculture	2,400,000 (includes 1,100,000 for acquisition)
Water Resources	10,490,000
Environmental Education	5,250,000
LCMR Admin.	1,134,000
Total Appropriated/Recommended	81,505,000 (includes 20,339,000 or 25% for acq.)

(over 26 million non-State funds leveraged by these projects)



Environment and Natural Resources Trust Fund Projects 1991 - 1999

by Issue Area

	1991	1993	1994	1995	1996	1997 LCMR	1991-1999 Totals	1991-1999 Totals	1991-1999 Percent
	Ch 254 Art 1 Sec 14	Ch 172 Sec 14	Ch 632 Art 2 Sec 6	Ch 220 Sec 19,20 1st SS Ch 2 Art 1 Sec 5	Ch 407 Sec 8	Recommendations as of 8/2/96	by Project	by Issue	of Total by Issue
	14,960,000	24,600,000	1,346,000	18,019,000	1,630,000	20,950,000	81,505,000	81,505,000	100%
LCMR Administration		270,000		394,000		470,000	1,134,000	1,134,000	1.4%

RECREATION

							34,524,000	42.4%
State Park & Recreation Area Acquisition, Development, Betterment & Rehab.		3,000,000	650,000	4,270,000	1,000,000	3,500,000	12,420,000	
Fort Snelling State Park - Upper Bluff Utilization and AYH Hostel						250,000	250,000	
Renewable Energy Demonstration and Education in State Parks						230,000	230,000	
Rails to Trails Acquisition and Development	1,000,000						1,000,000	
Initiate Gateway Segment of the Munger State Trail Into St Paul		200,000					200,000	
State Trail Development		2,327,000					2,327,000	
State Trail Rehabilitation and Acquisition				250,000			250,000	
Access to Lakes and Rivers		1,000,000		600,000		705,000	2,305,000	
Lake Minnetonka Access Acquisition			696,000				696,000	
Saint Louis River Land Acquisition		1,000,000					1,000,000	
Metropolitan Regional Park System				5,070,000		3,500,000	8,570,000	
Americans with Disabilities Act.: Retrofitting Regional Parks		220,000					220,000	
Trail Linkages, Metropolitan Regional Network		2,327,000					2,327,000	
Birch Lake Regional Bikeway/Walkway		450,000					450,000	
Cedar Lake Trail Development		610,000					610,000	
Shingle Creek Trail Improvements		130,000					130,000	
Lilydale/Harriet Island Regional Park Trail		246,000					246,000	
Land/Water Resource Management Lower St. Croix Riverway	360,000						360,000	
Como Park East Lakeshore Reclamation		163,000					163,000	
Acquisition of Palace Restaurant Site on Mississippi River		325,000					325,000	
Cannon Valley Trail Repair				175,000			175,000	
Development of Birch Coulee State Historic Site						270,000	270,000	

FISH and WILDLIFE HABITAT

							19,932,000	24.5%
Insecticide Impact on Wetland and Upland Wildlife	650,000						650,000	
Biological Control Eurasian Water Milfoil (Cancelled, Funded @ 160,000 from Future Res. Fd.)	100,000						100,000	
Biological Control Eurasian Water Milfoil & Purple Loosestrife		400,000		250,000		150,000	800,000	
Minnesota County Biological Survey	1,000,000	900,000		900,000		1,170,000	3,970,000	
Data Base for Plants of Minnesota	130,000						130,000	
Aquatic Invertebrate Assessment Archive	130,000						130,000	
Wetlands Forum (Cancelled, did not meet match requirement)	40,000						40,000	
Easement Acquisition on Restored Wetlands	400,000						400,000	
Restore Thomas Sadler Roberts Bird Sanctuary	50,000						50,000	
Minnesota's Forest Bird Diversity Initiative	300,000	500,000		400,000		350,000	1,550,000	
RIM Wildlife - Acquisition, Development, Critical Habitat Match, S N A, Prairie		4,900,000		760,000	630,000	1,500,000	7,790,000	
RIM Fisheries - Acquisition, Development, Angler Access, Hatchery Rehabilitation		987,000		855,000		1,125,000	2,967,000	
Ecological Impacts of Releasing Genetically Engineered Fishes		175,000					175,000	
Wetland Restoration/Enhancement to Create Community Amenity & Form				200,000			200,000	
Accelerate Native Grass and Forbs on Road Rights-of-Way				150,000			150,000	
Beneficial Fungal Inoculum for Prairie and Wetland Reclamation				100,000			100,000	
Loons: Indicators of Mercury in the Environment						230,000	230,000	
Prairie Heritage Project						500,000	500,000	

WATER RESOURCES

				10,490,000	12.9%
Stream and Watershed Information System	200,000			200,000	
S Cen Minnesota Surface Water Resource Atlases/Data Base	300,000		250,000	550,000	
Minnesota River Basin Water Quality Monitoring	700,000	1,100,000		1,800,000	
County Geologic Atlas and Groundwater Sensitivity Mapping	1,400,000	850,000		2,250,000	
Clean Water Partnership/Grants to Local Units of Government	700,000			700,000	
Mitigating Mercury in Northeast Minnesota Lakes	300,000			300,000	
Mercury Reduction in Fish		200,000		200,000	
Ecological Evaluation of Year-Round Aeration	100,000			100,000	
Erosion Control Cost-Sharing	250,000			250,000	
Well Sealing Cost-Share Grants	750,000			750,000	
Assessing Wetland Quality With Ecological Indicators			275,000	275,000	
Phalen Wetland Restoration			115,000	515,000	
Metro Area Groundwater Model to Predict Contaminant Movement			250,000	550,000	
Cannon River Watershed Strategic Plan	60,000		245,000	305,000	
Sustainable Lake Plans				270,000	
Atmospheric and Nonpoint Pollution Trends in Lakes				325,000	
Lakeshore Restoration-Minneapolis Chain of Lakes				300,000	
Miller Creek Watershed Management				100,000	
Training and Research Vessel for Lake Superior				200,000	
Water Quality Indicators of Endocrine Disrupting Chemicals				250,000	
Evaluate Riparian Forests for the Minnesota River				300,000	

ENVIRONMENTAL EDUCATION/INFORMATION

				5,250,000	6.4%
Environmental Education Program	790,000			790,000	
Video Education Research and Demonstration Project	100,000			100,000	
Integrated Resource Mgmt Education and Training Program	300,000			300,000	
Environmental Exhibits Collaborative	400,000			400,000	
The On-Line Museum: Computer and Interactive Video		260,000		260,000	
Green Street: An Urban Environmental Awareness Project		550,000		550,000	
Minnehaha Park Environmental Interpretive Center		300,000		300,000	
Pathways to Sustainable Development			200,000	200,000	
Leopold Education Project Curriculum			100,000	100,000	
Environmental Education Teacher Training			500,000	500,000	
Sharing Environmental Education Knowledge			200,000	200,000	
Environmental Action Grants for Minnesota Schools			200,000	450,000	
Minnesota Frog Watch			300,000	300,000	
Environmental Service Learning			100,000	100,000	
Partners in Accessible Recreation and Environmental Responsibility			550,000	550,000	
Connecting People Places Through Yellow Bikes			75,000	75,000	
State Wolf Management: Electronically Moderating the Public Discussion			75,000	75,000	

AGRICULTURE

				2,400,000	2.9%
Biological Control of Pests	650,000		200,000	850,000	
Conservation Reserve Easements	600,000	500,000		1,100,000	
Nitrate Education and Testing			150,000	150,000	
Crop Management to Minimize Pesticide Inputs			300,000	300,000	

LAND USE & NATURAL RESOURCE INFORMATION

				7,775,000	9.5%
Base Maps for 1990's	1,900,000	710,000	600,000	3,210,000	
Statewide Natl Wetlands Inv/PWM/Watershed Map Digitization	750,000			750,000	
Generic Environmental Impact Statement	400,000			400,000	
Mississippi River Valley Blufflands Initiative	150,000			150,000	
Blufflands Landscape			450,000	450,000	
Forest Management to Maintain Structural and Species Diversity			160,000	160,000	
Environmental Indicators Initiative			350,000	600,000	
Red River Valley Planning and Management				375,000	
New Models for Land Use Planning				530,000	
Land Use Development and Natural Resource Protection Model				400,000	
Electronic Access to Minnesota's National Register of Historic Places				150,000	
Protecting Rural Historic Landscapes in High Development Areas				80,000	
Restoring White Pine in the Minnesota Landscape				120,000	
Sand Dunes State Forest Acquisition				400,000	

Environment and Natural Resources Trust Fund Projects 1991 - 1999

by Location: Statewide, Regional and Metro

1991	1993	1994	1995	1996	1997 LCMR	1991-1999 Totals	1991-1999 Totals	1991-1999 Percent
Ch 254 Art 1 Sec 14	Ch 172 Sec 14	Ch 832 Art 2 Sec 6	Ch 220 Sec 19,20 1st SS Ch 2 Art 1 Sec 5	Ch 407 Sec 8	Recommendations as of 8/2/96	by Project	by Location	of Total by Location
14,960,000	24,600,000	1,346,000	18,019,000	1,630,000	20,950,000	81,505,000	81,505,000	100%

STATEWIDE

						50,428,000	62%
Environmental Education Program	790,000					790,000	
Video Education Research and Demonstration Project	100,000					100,000	
Integrated Resource Mgmt Education and Training Program	300,000					300,000	
Environmental Exhibits Collaborative	400,000					400,000	
Pathways to Sustainable Development			200,000			200,000	
Leopold Education Project Curriculum			100,000			100,000	
Environmental Education Teacher Training			500,000			500,000	
Sharing Environmental Education Knowledge			200,000			200,000	
Environmental Action Grants for Minnesota Schools			200,000		250,000	450,000	
Minnesota Frog Watch					300,000	300,000	
Environmental Service Learning					100,000	100,000	
Partners in Accessible Recreation and Environmental Responsibility					550,000	550,000	
State Wolf Management: Electronically Moderating the Public Discussion					75,000	75,000	
Insecticide Impact on Wetland and Upland Wildlife	650,000					650,000	
Biological Control Eurasian Water Milfoil (Cancelled, Funded @160,000 from Future Res. Fd)	100,000					100,000	
Biological Control Eurasian Water Milfoil & Purple Loosestrife		400,000	250,000		150,000	800,000	
Minnesota County Biological Survey	1,000,000	900,000	900,000		1,170,000	3,970,000	
Data Base for Plants of Minnesota	130,000					130,000	
Aquatic Invertebrate Assessment Archive	130,000					130,000	
Easement Acquisition on Restored Wetlands	400,000					400,000	
RIM Wildlife -Acquisition, Development,Critical Habitat Match, S N A, Prairie		4,900,000	760,000	630,000	1,500,000	7,790,000	
RIM Fisheries - Acquisition, Development, Angler Access, Hatchery Rehab.		987,000	855,000		1,125,000	2,967,000	
Ecological Impacts of Releasing Genetically Engineered Fishes		175,000				175,000	
Beneficial Fungal Inoculum for Prairie and Wetland Reclamation			100,000			100,000	
Base Maps for 1990's	1,900,000	710,000	600,000			3,210,000	
Statewide Natl Wetlands Inv/PWV/Watershed Map Digitization	750,000					750,000	
Environmental Indicators Initiative			350,000		250,000	600,000	
Electronic Access to Minnesota's National Register of Historic Places					150,000	150,000	
State Park & Recreation Area Acquisition, Development, Betterment & Rehab.		3,000,000	650,000	4,270,000	1,000,000	3,500,000	12,420,000
Renewable Energy Demonstration and Education in State Parks					230,000	230,000	
Rails to Trails Acquisition and Development	1,000,000					1,000,000	
State Trail Development		2,327,000				2,327,000	
State Trail Rehabilitation and Acquisition			250,000			250,000	
Access to Lakes and Rivers		1,000,000	600,000		705,000	2,305,000	
Stream and Watershed Information System	200,000					200,000	
County Geologic Atlas and Groundwater Sensitivity Mapping	1,400,000	850,000				2,250,000	
Clean Water Partnership/Grants to Local Units of Government	700,000					700,000	
Ecological Evaluation of Year-Round Aeration	100,000					100,000	
Erosion Control Cost-Sharing	250,000					250,000	
Well Sealing Cost-Share Grants	750,000					750,000	
Assessing Wetland Quality With Ecological Indicators			275,000			275,000	
Water Quality Indicators of Endocrine Disrupting Chemicals					250,000	250,000	
LCMR Administration		270,000	394,000		470,000	1,134,000	

REGIONAL				13,890,000	17%
Biological Control of Pests	650,000			200,000	850,000
Conservation Reserve Easements	600,000	500,000			1,100,000
Nitrate Education and Testing				150,000	150,000
Crop Management to Minimize Pesticide Inputs				300,000	300,000
Minnesota's Forest Bird Diversity Initiative	300,000	500,000	400,000	350,000	1,550,000
Wetland Restoration/Enhancement to Create Community Amenity & Form			200,000		200,000
Accelerate Native Grass and Forbs on Road Rights-of-Way			150,000		150,000
Loons: Indicators of Mercury in the Environment				230,000	230,000
Prairie Heritage Project				500,000	500,000
Generic Environmental Impact Statement	400,000				400,000
Mississippi River Valley Blufflands Initiative	150,000				150,000
Blufflands Landscape			450,000		450,000
Forest Management to Maintain Structural and Species Diversity			160,000		160,000
Red River Valley Planning and Management				375,000	375,000
New Models for Land Use Planning				530,000	530,000
Land Use Development and Natural Resource Protection Model				400,000	400,000
Protecting Rural Historic Landscapes in High Development Areas				80,000	80,000
Restoring White Pine in the Minnesota Landscape				120,000	120,000
Sand Dunes State Forest Acquisition				400,000	400,000
Saint Louis River Land Acquisition		1,000,000			1,000,000
Cannon Valley Trail Repair			175,000		175,000
Development of Birch Coulee State Historic Site				270,000	270,000
S Cen Minnesota Surface Water Resource Atlases/Data Base	300,000			250,000	550,000
Minnesota River Basin Water Quality Monitoring	700,000	1,100,000			1,800,000
Mitigating Mercury in Northeast Minnesota Lakes	300,000				300,000
Mercury Reduction in Fish		200,000			200,000
Cannon River Watershed Strategic Plan	60,000		245,000		305,000
Sustainable Lake Plans				270,000	270,000
Atmospheric and Nonpoint Pollution Trends in Lakes				325,000	325,000
Miller Creek Watershed Management				100,000	100,000
Training and Research Vessel for Lake Superior				200,000	200,000
Evaluate Riparian Forests for the Minnesota River				300,000	300,000
METRO				17,187,000	21%
The On-Line Museum: Computer and Interactive Video		260,000			260,000
Green Street: An Urban Environmental Awareness Project		550,000			550,000
Minnehaha Park Environmental Interpretive Center		300,000			300,000
Connecting People Places Through Yellow Bikes				75,000	75,000
Wetlands Forum (Cancelled, did not meet match requirement)	40,000				40,000
Restore Thomas Sadler Roberts Bird Sanctuary	50,000				50,000
Fort Snelling State Park - Upper Bluff Utilization and AYH Hostel				250,000	250,000
Initiate Gateway Segment of the Munger State Trail Into St Paul		200,000			200,000
Lake Minnetonka Access Acquisition			696,000		696,000
Metropolitan Regional Park System			5,070,000	3,500,000	8,570,000
Americans with Disabilities Act.: Retrofitting Regional Parks		220,000			220,000
Trail Linkages, Metropolitan Regional Network		2,327,000			2,327,000
Birch Lake Regional Bikeway/Walkway		450,000			450,000
Cedar Lake Trail Development		610,000			610,000
Shingle Creek Trail Improvements		130,000			130,000
Lilydale/Harriet Island Regional Park Trail		246,000			246,000
Land/Water Resource Management Lower St. Croix Riverway	360,000				360,000
Como Park East Lakeshore Reclamation		163,000			163,000
Acquisition of Palace Restaurant Site on Mississippi River		325,000			325,000
Phalen Wetland Restoration			115,000	400,000	515,000
Metro Area Groundwater Model to Predict Contaminant Movement			250,000	300,000	550,000
Lakeshore Restoration-Minneapolis Chain of Lakes				300,000	300,000

DRAFT 12/23/96 - TO BE UPDATED**TRUST FUND ACCOMPLISHMENTS FOR PROJECTS FUNDED
JULY 1991 - JUNE 1997**

NOTE: (While the funding listed is through July 1997, accomplishments noted are only through summer 1996)

A. Project accomplishments of the 87 projects during the first seven years of the trust fund totaling \$59,891,000 in the following categories include:**I. Recreation (Parks and Trails) \$26,069,000 (including \$8,137,000 for acquisition)**

Twenty-two appropriations of projects for statewide development and acquisition of land for parks, trails and water accesses to help meet increasing demands on our state and regional recreation facilities. ADA accessibility is incorporated into all development. Project accomplishments include, but are not limited to:

261 miles of trails improved, developed or acquired.

5806 acres acquired

7 public water accesses acquired/developed, including fishing piers (4 boat and 3 non-boat)

58 projects in park facilities for restoration/development/improvement

NOTE: Trust Fund expenditures do not include local parks and trails - only state and metro regional facilities.

II. Fish and Wildlife Habitat \$14,907,000 (including \$6,042,000 for acquisition)

Twenty four appropriations of projects for wildlife and fisheries habitat acquisition and improvement, biological control activities including Eurasian watermilfoil and purple loosestrife, acceleration of the Reinvest in Minnesota (RIM) projects, wetland restoration, restoration of native species, collection of data and assessment of rare and endangered species. Project accomplishments include, but are not limited to:

5900 acres acquired

9000 acres improved

13 miles of streams and rivers acquired and/or improved

III. Water Resources \$7,795,000

Seventeen appropriations for projects of pollution prevention, research and restoration which impact 39 out of Minnesota's 39 major watersheds and include: Assessments of air and water resources, toxics and implementation of sustainable agriculture practices, monitoring and watershed activities.

IV. Environmental Education/Information \$3,900,000

Twelve appropriations for projects of environmental/natural resource education activities including teacher training, videos, information clearinghouse, community service activities, assistance for diversity and accessibility and local government. Project accomplishments include, but are not limited to directly impacting over 250,000 students and teachers.

V. Agriculture \$1,750,000 (including \$1,100,000 for acquisition)

Three appropriations for biological control of pests and RIM reserve acres acquired. Project accomplishments include, but are not limited to:

1744 acres acquired

95% of cropland potentially impacted (18 million acres)

VI. Land Use and Natural Resource Information \$5,470,000

Nine appropriations for projects including: statewide and regional mapping of resources, activities to improve the health of forest ecosystems, blufflands protection and assessment of the health of Minnesota's environment.

B. Non state dollars leveraged (does not include inkind): \$22,000,000.

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DRAFT 12/23/96 - TO BE UPDATED**TRUST FUND PROPOSED ACCOMPLISHMENTS FOR
PROJECTS RECOMMENDED JULY 1997 - JUNE 1999**

A. Proposed project accomplishments of the 40 projects recommended from the Trust Fund in the upcoming biennium beginning July 1997 totaling \$20,480,000 in the following categories include:

I. Recreation (Parks and Trails) \$8,455,000 (including \$3,000,000 for acquisition)

Six appropriations of projects for statewide development and acquisition of land for parks, trails and water accesses to help meet increasing demands on our state and regional recreation facilities. ADA accessibility is incorporated into all development. Project accomplishments will include, but are not limited to:

1700 acres acquired

19 public water accesses acquired/developed, including fishing piers

82 projects in park facilities for restoration/development/improvement

9 miles of trails improved, developed or acquired

NOTE: Trust Fund expenditures do not include local parks and trails - only state and metro regional facilities.

II. Fish and Wildlife Habitat \$5,025,000 (including \$1,560,000 for acquisition)

Seven appropriations of projects for wildlife and fisheries habitat acquisition and improvement, biological control activities including Eurasian watermilfoil and purple loosestrife, acceleration of the Reinvest in Minnesota (RIM) projects, wetland restoration, restoration of native species, collection of data and assessment of rare and endangered species. Project accomplishments will include, but are not limited to:

1425 acres acquired

50,000 acres improved

11 miles of streams and rivers acquired and/or improved

III. Water Resources \$2,695,000

Ten appropriations for projects of pollution prevention, research and restoration which will impact many of Minnesota's 39 major watersheds and include: assessments of air and water resources, toxics and implementation of sustainable agriculture practices, monitoring and watershed activities.

IV. Environmental Education/Information \$1,350,000

Six appropriations for projects of environmental/natural resource education activities including teacher training, community service activities, and diversity and accessibility assistance. Project accomplishments include, but are not limited to directly impacting over 70,000 students and teachers.

V. Agriculture \$650,000

Three appropriations for projects of biological control of pests and nitrate testing. Project accomplishments include, but are not limited to:

95% of cropland potentially impacted (18 million acres)

VI. Land Use and Natural Resource Information \$2,305,000 (including \$500,000 for acquisition)

Eight appropriations for projects including: statewide and regional mapping of resources, activities to improve the health of forest ecosystems, and assessment of the health of Minnesota's environment.

Project accomplishments will include, but are not limited to: 800 acres acquired.

B. Non state dollars to be leveraged (does not include inkind): \$4.5 million.

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DRAFT 12/23/96 - TO BE UPDATED**TRUST FUND ACCOMPLISHMENTS FOR PROJECTS
(COMPLETED AND PROPOSED) JULY 1991 - JUNE 1999**

A. Project accomplishments of the 127 completed and proposed projects during the first nine years of the trust fund totaling \$80,371,000 in the following categories include:

I. Recreation (Parks and Trails) \$34,524,000 (including \$11,137,000 for acquisition)

Twenty-eight appropriations of projects for statewide development and acquisition of land for parks, trails and water accesses to help meet increasing demands on our state and regional recreation facilities. ADA accessibility is incorporated into all development. Project accomplishments include, but are not limited to:

270 miles of trails improved, developed or acquired.

7506 acres acquired

26 public water accesses acquired/developed, including fishing piers

140 projects in park facilities for restoration/development/improvement

NOTE: Trust Fund expenditures do not include local parks and trails - only state and metro regional facilities.

II. Fish and Wildlife Habitat \$19,932,000 (including \$7,602,000 for acquisition)

Thirty-one appropriations of projects for wildlife and fisheries habitat acquisition and improvement, biological control activities including Eurasian watermilfoil and purple loosestrife, acceleration of the Reinvest in Minnesota (RIM) projects, wetland restoration, restoration of native species, collection of data and assessment of rare and endangered species. Project accomplishments include, but are not limited to:

7325 acres acquired

59,000 acres improved

24 miles of streams and rivers acquired and/or improved

III. Water Resources \$10,490,000

Twenty-seven appropriations for projects of pollution prevention, research and restoration which impact 39 out of Minnesota's 39 major watersheds and include: assessments of air and water resources, toxics, implementation of sustainable agriculture practices, monitoring and watershed activities.

IV. Environmental Education/Information \$5,250,000

Eighteen appropriations for projects of environmental/natural resource education activities including teacher training, videos, information clearinghouse, community service activities, and assistance for diversity and accessibility, and local government. Project accomplishments include, but are not limited to directly impacting over 320,000 students and teachers.

V. Agriculture \$2,400,000 (including \$1,100,000 for acquisition)

Six appropriations for projects of biological control of pests, nitrate testing, and RIM reserve acres acquired. Project accomplishments include, but are not limited to:

1744 acres acquired

95% of cropland potentially impacted (18 million acres)

VI. Land Use and Natural Resource Information \$7,775,000 (including \$500,000 for acquisition)

Seventeen appropriations for projects including: statewide and regional mapping of resources, activities to improve the health of forest ecosystems, blufflands protection, and assessment of the health of Minnesota's environment. Project accomplishments include, but are not limited to: 800 acres acquired.

B. Non state dollars leveraged (does not include inkind): \$26,500,000.

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Senators Novak, Lessard, Samuelson, Dille and Krentz introduced-

S. F. No. 33 Referred to the Committee on Environment and Natural Resources

Senators Lessard, Berg, Langseth and Olson introduced-

S. F. No. 42 Referred to the Committee on Environment and Natural Resources

1 A bill for an act
2 proposing an amendment to the Minnesota Constitution,
3 article XI, section 14; extending indefinitely the
4 period during which at least 40 percent of the net
5 proceeds from the state lottery must be credited to
6 the environment and natural resources trust fund.
7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
8 Section 1. [CONSTITUTIONAL AMENDMENT PROPOSED.]
9 An amendment to the Minnesota Constitution, article XI,
10 section 14, is proposed to the people. If the amendment is
11 adopted, the section will read as follows:
12 Sec. 14. A permanent Minnesota environment and natural
13 resources trust fund is established in the state treasury. The
14 principal of the environment and natural resources trust fund
15 must be perpetual and inviolate forever, except appropriations
16 may be made from up to 25 percent of the annual revenues
17 deposited in the fund until fiscal year 1997 and loans may be
18 made of up to five percent of the principal of the fund for
19 water system improvements as provided by law. This restriction
20 does not prevent the sale of investments at less than the cost
21 to the fund, however, all losses not offset by gains shall be
22 repaid to the fund from the earnings of the fund. The net
23 earnings from the fund shall be appropriated in a manner
24 prescribed by law for the public purpose of protection,
25 conservation, preservation, and enhancement of the state's air,
26 water, land, fish, wildlife, and other natural resources. Not

01/08/97

[REVISOR] CMR/CR 97-1012

1 less than 40 percent of the net proceeds from any state-operated
2 lottery must be credited to the fund ~~until the year 2001~~.

3 Sec. 2. [SUBMISSION TO VOTERS.]

4 The proposed amendment must be submitted to the people at
5 the 1998 general election. The question submitted shall be:

6 "Shall the Minnesota Constitution be amended to extend
7 indefinitely the period during which at least 40 percent of the
8 net proceeds from the state lottery must be credited to the
9 environment and natural resources trust fund?

10 Yes

11 No"

12 Election procedures shall be as provided by law.

The Minnesota Environment and Natural Resources Trust Fund Fact Sheet

January 1997

The Minnesota Environmental Trust Fund Coalition is made up of nearly 100 individuals, statewide conservation, sportsmen, environment, agriculture and education organizations and businesses. The Coalition is seeking passage of legislation in the 1997 Legislature to continue the constitutional dedication of at least 40% of the lottery revenues to the Environment and Natural Resources Trust Fund.

The Environment and Natural Resources Trust Fund was established in the constitution in 1988 by the citizens of Minnesota. In 1990, 40% of the net proceeds of the Minnesota Lottery were constitutionally dedicated by the voters to the Environment and Natural Resources Trust Fund until December 31, 2000.

Since the lottery began, \$149 million has been distributed to the Trust Fund from the lottery through FY96. That is about 7 cents of every dollar spent by lottery players.

The current value of the Trust Fund is \$140 million and approximately \$60.5 million has been appropriated to date. Forty projects are proposed for 1998-99, that will increase expenditures to approximately \$81 million.

An actual \$26 million has been leveraged from non-state resources in addition to significant in-kind contributions.

Significant accomplishments* include:

- Acquisition of nearly 7,325 acres of wildlife habitat and improvements on 59,000 acres
- Pollution prevention, research and restoration projects impacting all 39 major watersheds in Minnesota
- Environmental education programs directly impacting more than 320,000 students and teachers
- 270 miles of trails acquired, developed or improved for a variety of uses
- 7,506 acres acquired for state and metro parks
- Biological control and other agricultural projects affecting 95% of cropland in Minnesota
- 1,744 acres of RIM Reserve conservation easements purchased

See attached documents for additional details on projects funded.

* Includes 1998-99 LCMR recommendations, yet to be adopted by the Legislature.

Prepared by the Minnesota Environmental Trust Fund Coalition, based on information provided by the LCMR.

*For more information please contact the Minnesota Environmental Trust Fund Coalition,
P.O. Box 127, Shafer, MN 55074. 612-381-1261*

Cigarette Tax Receipts to the Minnesota Future Resources Fund

MS 297.13 Revenue, disposal.

Subdivision 1. MS 1965 Repealed, Ex1967 c 48 s 48 subd 15

Subdivision 1. Cigarette tax apportionment. Revenues received from taxes, penalties, and interest under sections 297.01 to 297.13 and from license fees and miscellaneous sources of revenue shall be deposited by the commissioner of revenue in the state treasury and credited as follows:

(a) first to the general obligation special tax bond debt service account in each fiscal year the amount required to increase the balance on hand in the account on each December 1 to an amount equal to the full amount of principal and interest to come due on all outstanding bonds whose debt service is payable primarily from the proceeds of the tax to and including the second following July 1; and

(b) after the requirements of paragraph (a) have been met:

(1) the revenue produced by one mill of the tax on cigarettes weighing not more than three pounds a thousand and two mills of the tax on cigarettes weighing more than three pounds a thousand must be credited to the Minnesota future resources fund;

(2) the balance of the revenues derived from taxes, penalties, and interest under sections 297.01 to 297.13 and from license fees and miscellaneous sources of revenue shall be credited to the general fund.

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CIGARETTE TAX RECEIPTS to the Minnesota Future Resources Fund 1985-96 and estimates 1997-99 per MS 297.13

Fiscal Year	Amount	\$ + or -	% + or -	State tax per pack
1985	9,045,700	60,000	0.70%	\$0.18
1986	8,676,500	(369,200)	-4.10%	\$0.23
1987	9,089,800	413,300	4.80%	"
1988	7,906,250	(1,183,550)	-13.00%	\$0.38
1989	8,029,700	123,450	1.60%	"
1990	7,675,293	(354,407)	-1.10%	"
1991	7,719,896	44,603	-2.80%	"
1992	7,286,030	(433,866)	-5.60%	\$0.43
1993	7,302,884	16,854	0.20%	\$0.48
1994	7,275,977	(26,907)	5.00%	"
1995	7,376,569	100,592	1.38%	"
1996	7,380,250	3,681	0.05%	"
Rev. 1997	7,358,847			"
11-96				
Rev. 1998	7,284,988			
Rev. 1999	7,276,959			

Laws 1995, Chapter 220, Section 19, 20 & 21
Environment and Natural Resources Trust Fund (TF)
Future Resources Fund (FRF)
Oil Over Charge (OOC)
Great Lakes Protection Account (GLP)
(July 1, 1995 through June 30, 1997)

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\$1,120,000 TF
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\$1,120,000 TF

Laws 1995, First Special Session, Chapter 2, Art. 1, Sec. 5, Subd. 2 PAGE 21

Cannon Valley Trail Repair
\$175,000 TF

Subd. 4: PARKS & TRAILS

METROPOLITAN REGIONAL PARK SYSTEM

4(a) \$3,950,000 TF

*Arne Stefferud
Metropolitan Council
Mears Park Centre
230 E. Fifth St.
St. Paul, MN 55101
(612) 291-6360*

This project has multiple purposes that generally address the upkeep and improvement of Metropolitan Regional Parks. Objectives include: developing or redeveloping recreation facilities, acquire residential and vacant lands within parks and reserves from willing sellers, create/restore natural habitats in parks and reserves, retrofit recreational facilities to accommodate persons with disabilities. Additional funding for this project will be provided by the Metropolitan Council through its own general obligation bonds and by ISTEA.

STATE PARK AND RECREATION AREA ACQUISITION, DEVELOPMENT, BETTERMENT, AND REHABILITATION 4(b) \$3,130,000 TF

*John Strohkirch
DNR, State Park Development and Acquisition
Manager
500 Lafayette Road
St. Paul, MN 55155-4039
(612) 296-8289*

This project accomplishes some of the goals of the State Park and Recreation Area Development, Acquisition, and Betterment and Rehabilitation Programs. Funds for this project will be used to acquire private lands within the state park boundaries offered for sale by willing sellers. Numerous resource rehabilitation projects including pine restoration and planting at Itasca State Park, cave restoration at Forrester State Park, and facility rehabilitation projects including camp ground rehabilitation at Cayuna Recreation Area and St. Croix State Park, and rehabilitation of the Bearpaw Cabin at Itasca State Park will be completed throughout the state.

New development projects will include construction of a trail at Minnesota Valley State Recreation Area and a new interpretive center at Fort Snelling State Park. This educational facility will focus on natural and cultural resource interpretation as well as acquaint persons with the state and the state park system. Additional funding for this facility will be provided by bonding funds, the water recreation account, and by private donations.

STATE TRAIL REHABILITATION AND ACQUISITION

4(c) \$250,000 TF

*Thomas R. Danger
DNR
Trails and Waterways Unit
500 Lafayette Road
St. Paul, MN 55155-4052
(612) 296-4782*

The goal of this project is to rehabilitate the Heartland and Luce Line State Trails. These trails were developed in the 1970s and are predictably reaching the end of their "life span", therefore, requiring repair. These repairs are essential for public safety and protection of area natural resources. The Heartland State Trail will be repaved (easterly 19 miles of trail) and the Luce Line State Trail will receive repairs to its horse trail, bridges, and culverts (westerly 23 miles of trail).

WATER ACCESS

4(d) \$600,000 TF

*Michael T. Markell
DNR
Trails and Waterways Unit
500 Lafayette Road
St. Paul, MN 55155-4052
(612) 296-6413*

This project will provide the public with access to lakes and rivers statewide. Access includes fishing piers, and boat and shoreline access, and will provide fishing opportunities with or without a boat.

LOCAL NATURAL RESOURCE GRANTS
4(e) \$1,800,000 FRF

Wayne Sames
DNR
Office of Planning
500 Lafayette Road
St. Paul, MN 55155-4010
(612) 296-1567
(612) 296-6047

This matching grant program will assist local governments and/or private organizations in acquisitions and development of outdoor recreation areas, trails, natural areas, scenic resources, and fish and wildlife habitat and will help private organizations conduct surveys and research on fish and wildlife. Emphasis is placed on coordinated efforts and grants will be made to those proposals that further a partnership approach involving both state and local governments and the private sector to help meet both outdoor recreation and natural resource protection needs of the state.

MINNEAPOLIS PARKS AND TRAIL CONNECTIONS
4(f) \$141,000 FRF

Albert D. Wittman
Minneapolis Parks and Recreation Board
200 Grain Exchange
400 S. 4th Street
Minneapolis, MN 55415-1400
(612) 661-4777

This project will complete trail connections that will result in a comprehensive bicycle trail system throughout the region, linking the trail systems of Hennepin, Anoka, and Dakota county with each other and the Mississippi River front. The proposed trail connections will link the Stone Arch Bridge and the University of Minnesota to the Minneapolis Grand Rounds Trail System; a mile long trail on the publicly held right-of-way in the future Highway 55 road that will connect Minnehaha to the Historic Fort Snelling and the Mendota Bridge; a two mile bike lane/ trail on the west side of the Mississippi River connecting West River Parkway and North Mississippi Regional Park; a two mile bike path/trail on the east side of the Mississippi River connecting the East River Road Trail with Anoka County Parks.

This appropriation will provide half of the non-federal match of ISTEA and is contingent on secured funding from ISTEA.

LOCAL SHARE FOR ISTEA FEDERAL PROJECTS
4(g) \$300,000 OOC

This appropriation is contingent on receiving Federal ISTEA funding and will provide half of the non-federal match of the following:

SUNRISE PRAIRIE TRAIL PROJECT
(g1) \$150,000

Laird Mork
Chisago County
38694 Tanger Drive
North Branch, MN 55056
(612) 674-8919

This project includes the construction of a 15.5 mile paved trail between North Branch and the Chisago/Washington County line. The project will include planning and design, excavation of the trail, bituminous surfacing, water crossings utilizing a combination of culverts and bridges. Parking and rest areas will be constructed in North Branch, Stacy, and Wyoming.

MESABI TRAIL
(g2) \$150,000

Bob Manzoline
St. Louis and Lake Counties Regional Rail Authority
1st Street South, Room 114
Virginia, MN 55792

This appropriation provides for the development of 4 segments of a 132 mile multi-purpose recreational trail system connecting 22 Iron Range communities. Segments to be completed include: Quad City Segment; Hibbing/Chisholm/Buhl Segment; Tower/Ely Segment; East Range Segment.

PINE POINT PARK REST STATION

4(h) \$100,000 FRF

\$30,000 Nonstate Match

*James Luger
Washington County
11660 Myeron Road North
Stillwater, MN 55082
(612) 430-4350*

This appropriation provides for the development of a rest station located at the current terminus of the Willard Munger State Trail (Pine Point Park) which begins in St. Paul 17.9 miles away and would be the only developed rest area for the trail. A match of \$30,000 from Washington County was essential to completing this development.

INTERACTIVE MULTI-MEDIA COMPUTER INFORMATION SYSTEM

4(i) \$45,000 FRF

*Thomas L. Peterson
Explore Lake County, Inc.
Route 1, Box 287-B
Two Harbors, MN 55616
(218) 834-2643*

This proto-type Multi-Media Interactive Computer Information System will provide individualized information to visitors to Northeastern Minnesota on facilities and attractions to the area at the R. J. Houle Visitor Center, Two Harbors. It will be an electronic information system that utilizes video, audio, still pictures, graphics, and text to present information to travelers. The facilities and attractions will include a facility guide to the eleven state parks in the area, trail systems, local attractions, services, and events.

UPPER SIOUX AGENCY STATE PARK

4(j) \$200,000 FRF

*John Strohkirch
DNR, State Park and Development and Acquisition Manager
500 Lafayette Road
St. Paul, MN 55155-4039*

Appropriation funds will be used to construct a new bathroom/shower facility in the campground unit at Upper Sioux Agency State Park.

GRAIN BELT MISSISSIPPI RIVERFRONT DEVELOPMENT

4(k) \$500,000 FRF

*Albert D. Wittman
Minneapolis Park and Recreation Board
200 Grain Exchange
Minneapolis, MN 55415-1400*

Acquire the Riverfront property at the Grain Belt site on the east bank of the Mississippi River. The future plan for the property is to provide recreational opportunities along the river including a Riverfront trail.

WILDCAT REGIONAL PARK BOAT RAMP PROJECT

4(l) \$40,000 FRF

*Gary E. Bruggeman, P.E.
Houston County
1124 East Washington Street
Caledonia, MN 55921
(507) 724-3925*

Construct a new boat ramp at Wildcat Regional Park to replace the existing ramp which has been deemed to be potentially dangerous to the public and park employees due to its location in the main channel of the Mississippi River where currents are very strong. This appropriation will provide for the relocation and construction of a boat ramp capable of permitting two boat launchings simultaneously, a turn around approach, a boat trailer parking area, and slope stabilization (seeding and riprap).

Subd. 5: MANAGEMENT APPROACHES

LOCAL RIVER PLANNING

5(a) \$140,000 FRF

*Steven P. Johnson
DNR Division of Waters
500 Lafayette Road
St. Paul, MN 55155-4032
(612) 296-4802*

This program provides grants to counties or groups of counties acting jointly in powers agreements for up to two-thirds of the cost to develop comprehensive plans for the management and protection of rivers.

Plan development includes counties identifying the individual management needs for each river through a scoping process that involves all stakeholders along the river. This process involves a series of locally driven, facilitated meetings in which stakeholders identify problems, issues, and opportunities and develop alternative solutions. From this process a plan incorporating land use controls will be developed to guide activities along the river in order to meet designated needs. This planning process is expected to take 18-24 months.

CANNON RIVER WATERSHED STRATEGIC PLAN: INTEGRATED MANAGEMENT

5(b) \$325,000 FRF

\$ 81,000 Nonstate Match

*Allene Moesler
Cannon River Watershed Partnership
P.O. Box 501
Fairbault, MN 55021
(507) 332-0488*

The goal of this project is to promote integrated management of the Cannon River Watershed in an attempt to address and implement action to reduce soil erosion, nonpoint source pollution, and to protect biologically sensitive areas. Local citizens and technical groups in selected areas will prioritize and implement strategies included in the Watershed Strategic Plan. This project is intended to educate citizens, build consensus on issues present within their watershed and facilitate the building of stable local organizations which have long-term goals and viability. This project will utilize and coordinate local, state and federal agency resources as well as individual and academic expertise.

TRI-COUNTY LEECH LAKE WATERSHED PROJECT

5(c) \$300,000 FRF

*Wally Christensen
MN DNR
HC74
Box 1675
Hackensack, MN 56452
(218) 682-2578*

The goal of this project is to develop a comprehensive Watershed Management Plan that provides natural resource protection through guiding growth and addressing the impacts of resource manipulation and exploitation in the Leech Lake

Watershed. Three major objectives of the projects include: promoting public involvement with and awareness of their natural environment, collecting and organizing baseline data for water quality within the watershed, and initiate pilot projects to upgrade faulty municipal and private septic systems.

BLUFFLANDS LANDSCAPE

5(d) \$630,000 TF/FRF

\$50,000 Nonstate Match

*Larry Gates
DNR
2300 Silver Creek Road NE
Rochester, MN 55906
(507) 285-7427*

This project attempts to reconcile goals of resource preservation, sustainable economic growth, and development in the Blufflands region of southeastern Minnesota. These goals will be implemented through gathering information on the resources of the bluffland landscape and disseminating it in varied media formats to local citizens and officials, developing and initiating, in cooperation with local communities, a community action plan which focuses on its prosperity and coexistence with the bluffland environment in which it is located, and provide ground implementation strategies such as demonstration projects, landscape and historic site enhancement, scenic easements, or other activities identified in the growth management framework plan and/or Blufflands design manual.

GLACIAL LAKE AGASSIZ BEACH RIDGES: MINING AND PROTECTION

5(e) \$85,000 FRF

*Cindy Buttleman
DNR Minerals Division
2115 Birchmont Beach Road NE
Bemidji, MN 56601
(218) 755-4067*

The goal of this project is to promote the balanced use of existing Clay County, Glacial Lake Agassiz beach ridges and the prairie remnants they support. Objectives include: develop a local forum, build a customized Geographic Information System, and public outreach.

**ATMOSPHERIC MERCURY EMISSIONS,
DEPOSITION, AND ENVIRONMENTAL COST
EVALUATION**

5(f) \$575,000 FRF

*Edward B. Swain
Minnesota Pollution Control Agency
520 Lafayette Road
St. Paul, MN 55155
(612) 296-7800*

This appropriation is for a mercury emissions inventory and quantification of mercury atmospheric deposition. The project will examine additional information on sources of mercury in the atmosphere such as taconite processing and wood combustion which are not being studied nationally, how far mercury is transported away from sources before it is deposited, and the economic benefits of reducing mercury deposition. There will be an emphasis placed on mercury deposition in soil as a secondary source of mercury back to the atmosphere and as a source to lakes. \$50,000 is for an evaluation of the external costs of mercury emissions from Minnesota sources.

**MERCURY DEPOSITION AND LAKE
QUALITY TRENDS**

5(g) \$250,000 FRF/GLP

*Dr. George R. Rapp Jr.
Univ. of Minnesota Duluth
Archaeometry Laboratory
214 Research Lab Bldg.
10 University Drive
Duluth, MN 55812-2496*

The goal of this project is to synthesize and interpret a five-year (1990-1994) mercury deposition data base and evaluate water quality and fish contamination trends for 80 high-value lakes and compare it with historic data.

**FEEDLOT AND MANURE MANAGEMENT
PRACTICES ASSISTANCE**

5(h) \$200,000 FRF

*Gerald F. Heil
Minnesota Department of Agriculture
90 West Plato Blvd.
St. Paul, MN 55107
(612) 296-1486*

This appropriation is to accelerate adoption and changes in feedlot/manure management practices through research, economic analysis and enhanced program design and delivery. \$100,000 of this appropriation is for an agreement with the University of Minnesota for evaluation of effluent treatments. Project objectives include analysis of the impact of manure integration within a conservation tillage system on water quality and amelioration of manure utilizing constructed lagoons and wetlands.

**WATER QUALITY IMPACTS OF FEEDLOT
POLLUTION CONTROL SYSTEMS**

5(i) \$300,000 FRF

\$267,000 Nonstate Match

*David Wall
MPCA-Division of Water Quality
520 Lafayette Road
St. Paul, MN 55155
(612) 296-8440*

This appropriation is for the evaluation of earthen manure storage basins and vegetated filter strips for effects of ground and surface water quality by monitoring seepage and runoff.

**SHORELAND SEPTIC INVENTORY AND
EDUCATION**

5(j) \$145,000 FRF

*Beth Kluthe
Hubbard County Environ. Services
301 Court Street
Park Rapids, MN 56470*

This appropriation provides for the inventory of failing septic systems in the Mantrap Watershed and for the education and enforcement efforts to implement upgrading of the systems. Individuals from area lake associations will form a permanent watershed coalition to provide a framework to address watershed issues and assist in the project's completion.

**ALTERNATIVE INDIVIDUAL SEWAGE
TREATMENT SYSTEMS DEVELOPMENT
AND DEMONSTRATION**
5(k) \$425,000 FRF

Gretchen Sabel
MPCA-Water Quality Division
520 Lafayette Road
St. Paul, MN 55155
(612) 297-7574

This appropriation provides for the development and demonstration of reliable, low cost alternative designs for septic systems in areas with seasonally high water tables, and designs for removal of nitrogen by septic systems.

**PATHWAYS TO SUSTAINABLE
DEVELOPMENT**
5(l) \$200,000 TF

John R. Wells
Environmental Quality Board
300 Centennial Building
(612) 297-2377

This project will evaluate and suggest ways to remove government barriers to sustainable development in energy, manufacturing and settlement. The project will expand upon the Minnesota Sustainable Development Initiative and use its findings and recommendation as a starting point for more in-depth study. The economic and environmental sustainability of the state will be priority in guiding the outcomes of this project and citizens will be solicited to participate in the identification of priority barriers and crafting strategies to eliminate them.

**UPPER MISSISSIPPI RIVER PROTECTION
PROJECT**
5(m) \$200,000 FRF
\$100,000 Nonstate Match

Molly MacGregor
Mississippi Headwaters Board
P.O. Box 3000
Cass County Courthouse
Walker, MN 56484

Gary Oberts
Metropolitan Council
230 E. 5th Street
St. Paul, MN 5501
(612) 291-6484/(612) 547-3300 ext.263

The goal of this project is to protect the Mississippi River from water quality impairment. Objectives include: conduct technical studies related to spills, develop river protection lesson plan, delivery and evaluation of lesson plan effectiveness in the classroom, acquire curricula, videos for classroom use, refine river modeling tools, prepare annual and workbook for environmental disaster on the river and their cleanup, and a River Watch Workbook for use by K-12.

**FOREST MANAGEMENT TO MAINTAIN
STRUCTURAL AND SPECIES DIVERSITY**
5(n) \$160,000 TF

Kurt A. Rusterholz
DNR
Box 7
500 Lafayette Road
St. Paul, MN 55155
(612) 297-7265

The goal of this project is to document forest management practices in a pilot area, assess the long-term effects of current and alternative timber harvest practices on structural aspects of biodiversity (especially old growth forest characteristics), and prepare forest management guidelines to maintain key aspects of biodiversity while providing fiber for the forest product industry.

**ACCELERATED NATIVE GRASS AND FORBS
ON ROAD RIGHTS-OF-WAY**
5(o) \$150,000 TF

Catherine M. Fouchi
MN DNR Wildlife
Box 756, Hwy. 15 S.
New Ulm, MN 56073-0756
(507) 359-6034

The goal of this projects is to accelerate native plant establishment and management in roadsides, at the local level, using integrated resource management techniques including educational materials about the benefits of low maintenance and biologically diverse roadsides statewide. At least 130 acres of plantings on county, township, and state roadsides will be completed and projects will be chosen through an application process

**ACCELERATE LANDSCAPE MANAGEMENT
ACTIVITIES IN WHITEWATER
WATERSHED**

5(p) \$60,000 FRF

*Jon Cole
MN DNR
Whitewater Wildlife Management Area
RR2, Box 33
Altura, MN 55910
(507) 932-4133*

This project will allow for the acceleration of landscape management activities within the Whitewater watershed through increased sharing, across DNR disciplinary lines, of equipment and manpower.

**SUSTAINABLE GRASSLAND
CONSERVATION AND UTILIZATION**

5(q) \$125,000 FRF

*Peter Buessler
MN DNR
1221 E. Fir Ave.
Fergus Falls, MN 56537
(218) 739-7497*

This appropriation provides for the development of integrated grassland projects in the Glacial Lake Agassiz Beach Ridges region of northwestern Minnesota and for the evaluation of varied grassland management strategies. Local landscape workgroups will explore and develop integrated strategies for addressing local grassland management and will involve interagency cooperation. Research will be conducted on local farms with cooperation amongst landowners, researchers, and agency/program staff. In addition farm and lender economics will be analyzed through review of landowner and lender applications for post-CRP and other grassland management decisions.

**DEVELOPING, EVALUATING AND
PROMOTING SUSTAINABLE FARMING
SYSTEMS**

5(r) \$225,000 FRF

\$ 50,000 Nonstate Match

*Shelly Eckblad
Whitewater Joint Powers Board
1485 Industrial Drive NW, Room #102
Rochester, MN 55901
(507) 280-2850*

This appropriation provides for the development and evaluation of farming systems for impacts on ecosystems, profitability, and quality of life through on-farm research, experiments station research, watershed demonstration farms, and education. Objectives include: develop and test indicators that can be use by farmers for monitoring impacts on their farm ecosystem, economics, and social well-being, develop and implement farm management systems that meet farm operators' goals and those set by the Whitewater Watershed for sustaining area ecosystems, and promote sustainable agricultural systems through educational materials and programs.

**COOPERATIVES TO PROMOTE
SUSTAINABLE AGRICULTURAL PRACTICES
AND RESEARCH**

5(s) \$100,000 FRF

\$ 50,000 Nonstate Match

*Ralph Lentz
Sustainable Farming Association of Minnesota
RR2, Box 78
Lake City, MN 55041
(612) 345-2557*

The goal of this project is to promote sustainable farming practices by strengthening farmer-based demonstration and education networks of the Sustainable Farming Association and by forming a pilot cooperative of on-farm and southwest experiment station research.

**RECYCLED BIOSOLIDS PRODUCT USED TO
RECLAIM DISTURBED AREAS**

5(t) \$200,000 OOC

*Kathryn J. Draeger
N-Viro Minnesota
Power Plant Aggregates of Iowa
1970 Christensen Ave.
Minneapolis, MN 55118
(612) 831-8151*

The goal of this project is to increase the market for biosolids and promote environmentally sound reclamation methodology by demonstrating the use of N-Viro Soil, a recycled product, for reclamation of environmentally disturbed areas through a program of research and field and public demonstration.

Subd. 6: ENVIRONMENTAL EDUCATION

**LEOPOLD EDUCATION PROJECT
CURRICULUM**

6(a) \$100,000 TF

\$50,000 Nonstate Match

*Russell W. Sewell
Pheasants Forever
P.O. Box 75473
St. Paul, MN 55175
(612) 481-7142*

The goal of this project is to train 200 Minnesota educators as Leopold Education (LEP) facilitators and create partnerships between conservation organizations and local schools. As (LEP) facilitators teachers will promote environmental awareness and a sense of responsibility for choices made and the resulting impact on the earth through a curriculum based on Aldo Leopard's "Land Ethic". Leopard's *A Sand County Almanac* will be used as the primary tool for study of this paradigm. The Leopold Education Project's curriculum will target grades 6-12. In addition, facilitators will conduct workshops for the purpose of training other educators throughout the state.

**ENVIRONMENTAL EDUCATION TEACHER
TRAINING**

6(b) \$500,000 TF

*Pam Landers
Environmental Education Advisory Board
520 Lafayette Road
St. Paul, MN 55155
(612) 282-5788
(612) 297-8687*

This project will develop and put in place a statewide, coordinated, environmental education training program for both current teachers and students in teacher education programs. Institutions and teachers involvement in the program will be voluntary and curriculums will be customized to each educational facility through cooperation with others in the environmental education field. Individuals completing the program will be certified as environmental education teachers.

**SHARING ENVIRONMENTAL EDUCATION
KNOWLEDGE**

6(c) \$200,000 TF

*Denise M. Stromme
Environmental Advisory Board
Minnesota Department of Education
520 Lafayette Road
St. Paul, MN 55155
(612) 282-6474*

The purpose of this project is to plan and develop an information exchange and service center that coordinates the collection, evaluation, dissemination, and promotion of environmental education resources and programs. SEEK (Sharing Environmental Education Knowledge) will be partially accomplished through the establishment of an electronic network (on the Internet) where partners (those agencies and organizations contributing EE resources) and users (those individuals searching for EE information) will have access to a wide variety of sources, in Minnesota and beyond. In addition information will be accessible by phone or in person through the SEEK service center.

**ENVIRONMENTAL VIDEO RESOURCE
DIRECTORY AND PUBLIC TELEVISION
SERIES**

6(d) \$250,000 FRF

*Doug Bolin
Twin Cities Public Television
172 E. Fourth Street
St. Paul, MN 55101
(612) 229-1347*

This appropriation is for the production and broadcasting of a television series about Minnesota environmental achievements. The series will be comprised of up to four half-hour programs. The series will be entirely shot in the field and each program will contain up to 4 field segments detailing various issues and topics of interest and concern within the environmental field of study. Information will be presented in a journalistic manner and the program's intended audience will be students of all ages.

**DEVELOPMENT, ASSIMILATION, AND
DISTRIBUTION OF WOLF EDUCATIONAL
MATERIALS**

6(e) \$100,000 FRF

\$ 30,000 Nonstate Match

*Walter M. Medwid
International Wolf Center
1369 HWY 169
Ely, MN 55731
(218) 365-4695*

This appropriation is for the creation and establishment of educational materials on wolf ecology, recovery, and management for electronic distribution to Minnesota schools, nature centers, and other interested individuals and organizations worldwide. This information will be accessible through the state's Environmental Education Advisory Board's SEEK electronic network.

**THE ENVIRONMENTAL ACTION GRANTS
FOR MINNESOTA SCHOOLS**

6(f) \$200,000 TF

\$ 50,000 Nonstate Match

*Gary B. Deason
School Nature Area Project (SNAP)
St. Olaf College
1520 St. Olaf Avenue
Northfield, MN 55057
(507) 646-3908*

The School Nature Area Project will pilot a statewide grants program for K-12 schools for projects leading to the establishment of school nature areas within walking distance of school buildings. Project grants will fund 24 urban and rural school projects to augment native plant species, enhance wildlife habitat, or improve student access to nature areas. Partnership grants will fund 16 schools for the design and development of school nature areas and for environmental education courses and curriculum writing workshops for teachers.

**ELECTRONIC ENVIRONMENTAL
EDUCATION NETWORK (EEEN)**

6(g) \$250,000 FRF

\$ 38,000 Nonstate Match

*Mark Martell
The Raptor Center at the University of Minnesota
1920 Fitch Avenue
St. Paul, MN 55108
Web site address: <http://www.raptor.cvm.umn.edu>*

The Electronic Environmental Education Network will allow Minnesota students to participate as satellite monitored radio-tracking equipment follow Minnesota ospreys migrating to and from Central America. Participation in this research, and the discovery of other natural phenomena will be done through the INTERNET at the address above. This experience will be integrated into a total environmental education program which uses workbooks, maps and other classroom materials and activities. A model site will be developed to allow local environmental education centers to use INTERNET to communicate knowledge and information between schools and centers. EEEN will coordinate its services and information with the Environmental Education Advisory Board's SEEK project.

THREE RIVERS INITIATIVE
6(h) \$750,000 FRF

Patrick L. Hamilton
Science Museum of Minnesota
30 E. 10th Street
St. Paul, MN 55101
(612) 221-4761

This project will produce new exhibits, laboratory activities, theater performances, and demonstrations contrasting the environmental stories of the Mississippi, Minnesota, and St. Croix Rivers for the Our Minnesota Hall, a permanent exhibit at the science museum which interprets the changing environment of Minnesota. In addition an outreach program consisting of a 50 minute assembly program, classroom residency program, and an in-service teacher training program will be developed to educate teachers and students on river and stream ecology and the impacts of human land use on rivers.

INTERACTIVE COMPUTER EXHIBIT ON MINNESOTA RENEWABLE ENERGY SOURCES
6(i) \$150,000 OOC

William B. Grant
Midwest Office of the Izaak Walton League of America
5701 Normandale Road
Minneapolis, MN 55424
(612) 922-1608

An interactive, multimedia computer exhibit on Minnesota's renewable resources will be developed for display in the Our Minnesota "Changing Landscapes" exhibit at the Science Museum of Minnesota. The computer program will also be available to schools for use on Macintosh or PC/Windows computers, CD-ROM and floppy diskette versions will also be available.

TREES FOR TEENS: TRAINING, RESOURCES, EDUCATION EMPLOYMENT SERVICE
6(j) \$75,000 FRF

Kirk M. Brown
Twin Cities Tree Trust
6300 Walker Avenue
St. Louis Park, MN 55416
(612) 920-9326

Through a hands-on training program and mentoring program at least 100 youth from 5 pilot schools will gain training in urban forestry and carry out community service projects. Pilot schools will be selected which have populations at risk, low income, disabled, and/or culturally diverse students interested in participating, as well as schools exhibiting strong PTA commitment. In addition Trees for Teens will produce three publications including a Youth Notebook, Teacher's Manual, and Program Guide on the project which will be available for purchase by other schools interested in implementing the program.

REDWOOD FALLS SCHOOL DISTRICT #637 ENVIRONMENTAL EDUCATION
6(k) \$250,000 TF

Jerry Meschke
Redwood Falls School District
100 George Ramseth Drive
Redwood Falls, MN 56283
(507) 644-3521

Funds for this appropriation will be used for the development of outdoor environmental learning centers adjacent to a Redwood Falls elementary and high school/middle school and for the development of a K-12 environmental curriculum for use in correlation with the nature centers. Teaching staff will collaborate with the School Nature Area Project at St. Olaf in their efforts to expand and integrate environmental curriculum into all disciplines. Access to the learning centers will be provided to area school districts and non-profit organizations.

TOGETHER OUTDOORS MINNESOTA
6(l) \$575,000 FRF
\$ 80,000 Nonstate Match

Greg Lais, Executive Director
Wilderness Inquiry
1313 5th Street SE
Box 84
Minneapolis, MN 55414
(612) 379-3858

The main goal of this project is to improve access to Minnesota's outdoor resources for persons with disabilities and/ or diverse cultural backgrounds.

50 people with disabilities and people of color will be trained to be experts in designing inclusive outdoor programs, 300 natural resources service delivery and environmental education personnel in the public and private sectors will be trained by the experts on the design of inclusive outdoor programs, and assistance will be provided to outdoor service providers in making programs more assessable to people with disabilities and people of color.

**ENHANCED NATURAL RESOURCES
OPPORTUNITIES FOR ASIAN-PACIFIC
MINNESOTA'S**

6(m) \$150,000 FRF

*Josee Cung
Department of Natural Resources
500 Lafayette Road
St. Paul, MN 55155
(612) 297-4745*

The project will work with the DNR division of Parks, Fisheries, Enforcement, and Forestry to review and modify existing educational and recreational programming in order to more effectively serve Asian communities in Minnesota. A series of culturally sensitive training sessions will also be offered to non-Asians with the intent of easing community tensions in urban and rural areas. The project will seek secure funding from the general fund to establish, beginning July 1996, a permanent minority service program housed under the DNR.

**DELIVER ECOLOGICAL
INFORMATION/TECHNICAL ASSISTANCE
TO LOCAL GOVERNMENT**

6(n) \$100,000 FRF

*Bonita Eliason
Department of Natural Resources
500 Lafayette Road, Box 7
St. Paul, MN 55155
(612) 297-2276*

The goal of this project is to facilitate protection of rare species and significant habitats by local action in the counties where the Minnesota County Biological Survey data collection is completed (Anoka, Chisago, Dakota, Goodhue, Isanti, Ramsey, Rice, Sherburne, and Washington). The project will provide technical and interpretive support to local governments requesting assistance with the implementation of survey results in their area.

Workshops to educate local units of government and land managers on the importance of protecting rare species and significant plant communities will be held. In addition the project will determine where conservation action is most warranted (this will include 20-30 areas of moderate to high biodiversity significance).

**NONPOINT SOURCE POLLUTION PUBLIC
EDUCATION DEMONSTRATION PROJECT**

6(o) \$100,000 FRF

\$ 12,000 Nonstate Match

*Anne Weber
City of St. Paul
Department of Public Works
1000 CHA, 25 West Fourth Street
St. Paul, MN 55102
(612) 266-6245*

This project will develop a model for community action toward the reduction of nonpoint pollution and is a collaborative effort between the St. Paul and Minneapolis Public Works, Citizens for a Better Environment, Twin Cities Neighborhoods. Neighborhood residents will be surveyed for their understanding of nonpoint pollution issues and survey results will be used to develop educational materials. These materials will be distributed to 5,000 households in five targeted neighborhoods. Action plans will also be designed, with the assistance of local institutions, to address nonpoint pollution problems.

WHITETAILED DEER RESOURCE CENTER

6(p) \$50,000 FRF

\$50,000 Nonstate Match

*John Kvasnicka
Executive Director
Minnesota Deer Hunters Association
P.O. Box 5123
2820 South Highway 169
Grand Rapids, MN 55744
(218) 327-1103*

This appropriation will provide plans for a multiple use facility for public education on the white-tailed deer in Minnesota. An educational program will be designed and developed which will provide demonstration through interactive displays, workshops, dioramas, media, outdoor activities, and experiential education processes.

A market assessment will be conducted to determine the facilities expected capture rate, potential revenue, and amount of physical space needed. A facility and operations plan will also be developed including the completion of blueprints for the center.

**GORDON GULLION CHAIR IN FOREST
WILDLIFE RESEARCH AND EDUCATION**

6(q) \$350,000 FRF

\$350,000 Nonstate Match

*Ira R. Adelman
University of Minnesota
Department of Fisheries and Wildlife
1980 Folwell Avenue
St. Paul, MN 55108-6124
(612)624-4228*

This appropriation will provide partial funding for the establishment of an endowed chair to develop management practices that preserve the quality of the natural environment, protect biodiversity, and allow for a sustainable harvest of wood fiber and game species. Interest on the endowment will provide salary and partial research funding for the professor after the chair is appointed, therefore providing a permanent research and teaching program relevant to forest ecosystem management. The University will match private gifts up to \$500,000.

NEY ENVIRONMENTAL CENTER

6(r) \$100,000 FRF

This project will develop an environmental learning center in the Minnesota River Valley near Henderson. The appropriation is to be used to convert existing buildings to classrooms, add restroom facilities and improve access, and remove unneeded structures.

LAWNDALE ENVIRONMENTAL CENTER

6(s) \$300,000 FRF

\$100,000 Nonstate Match

*Gordon F. Eckberg
Lawndale Environmental Foundation
Rt. 2 Box 50
Herman, MN 56248-9628
(612)677-2687*

This appropriation will provide for the purchase of a farm house and the accompanying land which will eventually serve as the Lawndale Environmental

Learning Center. To meet specifications of the Environmental Education Advisory Board for environmental learning centers emerging in northwestern Minnesota, a five-year management plan will be developed.

Subd. 7: NATURAL RESOURCES DATA

**ENVIRONMENTAL INDICATORS
INITIATIVE**

7(a) \$350,000 TF

*Keith M. Wendt
DNR
Box 10, 500 Lafayette Road
St. Paul, MN 55155
(612)297-7879*

This project will create the framework for an integrated, statewide network for selecting and monitoring environmental indicators. This project will provide the first statewide framework for 1) understanding and forecasting ecosystem status and trends; 2) assessing the ability of ecological systems to provide resource benefits; 3) anticipating emerging environmental problems; and 4) monitoring progression maintaining and restoring ecosystems.

**ASSESSING WETLAND QUALITY WITH
ECOLOGICAL INDICATORS**

7(b) \$275,000 TF

*Susan Galatowitsch
University of Minnesota
Dept. of Horticultural Science
305 Alderman Hall, 1970 Folwell Ave.
St. Paul, MN 55108
(612) 62403242*

The objective of this project is to establish a system of reference natural wetlands for comparative monitoring; identify plant and animal species that are indicators of wetland quality; and develop guidelines for wetland assessment and monitoring.

**COUNTY BIOLOGICAL SURVEY -
CONTINUATION
7(c) \$900,000 TF**

*Carmen Converse
DNR
Box 7, 500 Lafayette Road
St. Paul, MN 55155
(612) 296-9782*

The goal of this project is to identify significant natural areas and to collect and interpret data on the distribution and ecology of rare plants, rare animals and natural communities. Data is collected county by county. County surveys completed include Norman, Wilkin, Kittson, Roseau, Marshall, Pennington, Red Lake, Polk, Traverse, Clay, Big Stone, Lac Que Parle, Houston, Winona, Goodhue, Rice, Dakota, Ramsey, Washington, Anoka, Chisago, Isanti, Morrison, and Cass. Counties to be completed during this funding period include Crow Wing, Aitkin, Carlton, Pine, Mille Lacs, Benton, Sherburne, Wright, Hennepin, Carver, Scott, Le Sueur, Wabasha, Olmsted, Kanabec, and Fillmore. In addition the project seeks to expand and improve the Natural Heritage Information System by effectively integrating data collected by the Minnesota County Biological Survey with other natural resource data.

**FOREST BIRD DIVERSITY INITIATIVE -
CONTINUATION
7(d) \$400,000 TF**

*Lee Pfannmuller
MN DNR
Division of Fish and Wildlife
Ecological Services Section
Box 25, 500 Lafayette Road
St. Paul, MN 55155-4025
(612) 296-0783*

The overall goal of this project is to develop landscape management tools to maintain Minnesota's forest birds populations and establish benchmarks for using birds as ecological indicators of forest health. This initiative will relate forest pattern and change to regional bird diversity using a long-term monitoring program. The program, begun in FY92, is designed as a 10-15 year monitoring effort. It collects data on forest birds through a network of data collection points distributed across the northern forest region.

Data on bird distribution and abundance is coupled with data on nesting success to provide an accurate assessment and description of healthy bird communities. Geographic Information System techniques are used to correlate these bird population data with regional forest cover and land use information to develop predictive models that assess the impact of future forest change. The knowledge gained will be applied to the development of forest management tool that integrate the diverse habitat needs of forest birds with traditional timber management practices.

**BASE MAPS FOR 1990'S - FINAL PHASE -
CONTINUATION
7(e) \$600,000 TF**

*Don Yaeger
330 Centennial Office Building
St. Paul, MN 55155
(612) 297-2490*

This appropriation is for the completion of statewide coverage and orthophoto maps and complete update mapping for the state's most obsolete topographic maps.

**COMPLETION OF STATEWIDE LAND USE
UPDATE - CONTINUATION
7(f) \$380,000 FRF**

*David Weirens
Association of MN Counties
125 Charles Ave.
St. Paul, MN 55103-2108
(612) 224-3344*

This appropriation is for the completion of the update of the land use map of Minnesota, completion of the conversion of the data to computer format. Data will be made available to users through The Land Management Information Center (LMIC), local water planning agencies, and the Association of Minnesota Counties.

FILMORE COUNTY SOIL SURVEY UPDATE

7(g) \$65,000 FRF

50% Nonfederal Match Required

*Darrel Brekke
900 Washington Street
Preston, MN 55965-9511
(507)765-3879*

This appropriation is to begin a three biennium project to update the Fillmore county soil survey into a digitized and manuscript format which will be used to plan and manage land for agriculture, water quality concerns, urbanization, recreation, and wildlife.

MINNESOTA RIVER TILE SYSTEM RESEARCH

7(h) \$150,000 FRF

*Wayne P. Anderson
Minnesota Pollution Control Agency
520 Lafayette Road
St. Paul, MN 55155-4194
(612) 296-7323*

This appropriation is for the continued research on the impacts of best management practices (BMP) for surface tile inlets in the Minnesota River basin. Objectives include the gathering and analysis of experimental data and improvement and use of tile systems with surface tile simulation model.

SUGARLOAF SITE ASSESSMENT AND INTERPRETATION

7(i) \$70,000 FRF

\$30,000 Nonstate Match

*Patricia Maus
Sugarloaf Interpretive Center Association (SICA)
SICA, C/O 140 Engineering
College of Science and Engineering
University of Minnesota, Duluth
Duluth, MN 55812
(218) 726-8526*

This appropriation provides for the assessment and interpretation of the Sugarloaf site located on the North Shore of Lake Superior in Schroeder Township. Detailed surveys of the geological, biological and ecological characteristics of the site will be conducted and the results will be digitized. Surveys of the cultural and historical characteristics of the site will be completed as well.

MICROBIAL DETERIORATION OF ASPHALT MATERIALS AND ITS PREVENTION

7(j) \$60,000 OOC

*Fu-Hsian Chang
Bemidji State University
Center for Environmental Studies
Bemidji State University
Bemidji, MN 56601-2699*

This research project will study the microbial deterioration of asphalt materials. The goal is to identify a possible connection between the asphalt stripping witnessed on Minnesota highways and hydrocarbon consuming microbes indigenous to various soils around the state of Minnesota. Field samples collected by the Minnesota Department of Transportation will be tested in the laboratory testing for presence of hydrocarbon consuming microbes and their relative numbers will be quantified. An effort will be made to identify soil or subgrade conditions most likely to develop biological action in asphalt pavements.

ANALYSIS OF LANDS ENROLLED IN THE CONSERVATION RESERVE PROGRAM

7(k) \$200,000 FRF

*Mary J. Hanks
MN Dept. of Agriculture
90 West Plato Blvd.
St. Paul, MN 55107
(612) 296-1277*

This appropriation is for the continued analysis of lands enrolled in the conservation reserve program relative to nonpoint source pollution, developing land management options for lands emerging from the program and developing the capability to target future program funds for the greatest environmental benefit. GIS maps will be completed for all CRP land remaining in counties. The relative importance of CRP lands for soil conservation and water quality will be assessed through environmental and geographic analysis and as a result environmentally and economically sound land use alternatives for land returning to production will be identified and communicated to interested parties.

Lastly a computer-based CRP policy simulation program which links GIS, contract holder surveys, and land use alternatives data will be developed and tested.

Subd. 8: URBAN NATURAL RESOURCES

URBAN WILDLIFE HABITAT PROGRAM

8(a) \$150,000 FRF

\$ 35,000 Nonstate Match

Anne Hunt

*Saint Paul Neighborhood Energy Consortium (NEC)
475 North Cleveland Avenue #100
St. Paul, MN 55104
(612) 644-5436*

The goal of this project is to increase and promote urban landscaping which provides food and shelter resources for native wildlife in the St. Paul area. 14-18 workshops will provide approximately 300 area residents with information on landscaping and yard-care techniques which will assist native wildlife, increase shade, reduce atmospheric CO₂, and reduce nonpoint pollution in area surface water. 125-140 participants will use professionally designed patch plantings as a guide for landscaping their yards. Native trees, shrubs, and perennial plants will be used whenever possible. Planting materials will be provided at low cost to participants.

GARDENING PROGRAM, STATEWIDE

8(b) \$300,000 FRF

\$ 3,000 Nonstate Match

Sue Gunderson

*Sustainable Resources Center
1916 Second Avenue South
Minneapolis, MN 55403
(612) 872-3283*

The goal of this project is to promote environmentally sound community and residential fruit and vegetable gardening as a tool to implement community improvement. Eight new community gardens will be established in the metro area; four in greater Minnesota. Technical assistance will be provided to participants. Classes, literature, and site tours provided by the project will instruct participants on landscaping with native plants and lawn care techniques that do not require use of chemicals. In addition the project will promote two statewide community greening conferences.

**PLANTING FOR ENERGY CONSERVATION
IN COMMUNITIES**

8(c) \$400,000 OOC

Peg Sand

*DNR, Division of Forestry
1200 Warner Road
St. Paul, MN 55106
(612) 772-7562*

This appropriation is for the second biennium of funding to strategically plant predominately native shade trees and community windbreaks for statewide energy conservation and carbon dioxide abatement through acceleration of the Minnesota Releaf program by providing grants.

**MAPLEWOOD INNOVATIVE STORM
WATER MANAGEMENT PROJECT**

8(d) \$100,000 FRF

\$165,000 Nonstate Match

Kenneth G. Haider

*City Hall
1830 E. County Road B
Maplewood, MN 55109
(612) 770-450*

This appropriation is for the design, construction, and monitoring of a demonstration storm water management system. This project will implement alternative storm water management methods to hold storm water in an older neighborhood that is currently without storm sewers, but where these would be a logical improvement to deal with existing problems. This neighborhood and a typical new development in the area will be modeled and the methods evaluated to predict their effectiveness in other urban areas.

PHALEN WETLAND RESTORATION

8(e) \$115,000 TF

\$50,000 Nonstate Match

Michael G. Kassan, Jr.

*1000 City Hall Annex
St. Paul, MN 55102
(612) 266-6249*

This appropriation will provide for the restoration of a wetland at the south end of Lake Phalen.

The wetland and landscaping around it will be designed to provide wildlife habitat and as a demonstration of the use of wetlands as a filtration system for stormwater. The wetland will be designed to achieve biodiversity in urban restoration and will be accessible for human enjoyment.

**WETLAND RESTORATION AND
ENHANCEMENT TO CREATE COMMUNITY
AMENITY AND FORM**

8(f) \$200,000 TF

*Joan Nassauer
Univ. of Minnesota
Dept. of Landscape Architecture
89 Church Street SE
Minneapolis, MN 55455
(612) 625-6568*

This appropriation is for technical design assistance provided to help five communities create restored and enhanced wetlands that reinforce community form and emphasize habitat creation, water quality, and recreational amenities.

**METROPOLITAN AREA GROUNDWATER
MODEL TO PREDICT CONTAMINANT
MOVEMENT**

8(g) \$250,000 TF

*Andrew Streitz
MN PCA
Ground Water & Solid Waste Division
520 Lafayette Road
St. Paul, MN 55155
(612) 296-7791*

This appropriation is for the development and application of a tool to improve prediction of contaminant movement in groundwater at contamination sites in the metropolitan area using a flexible regional groundwater flow model.

**ARBORETUM BOUNDARY LAND
ACQUISITION**

**8(h) \$680,000 FRF
\$400,000 Nonstate Match**

*Peter Olin
Univ. of Minnesota
P.O. Box 39
Chanhassen, MN 55317
(612) 443-2882*

The goals of this project are twofold: 1) to protect the biological and experiential quality of the Arboretum and; 2) to create a model, research wetland for public display and education. This project is to purchase at least 30 acres of land within the project Arboretum boundary and create a restored wetland on the site.

Subd. 9: FISHERIES

**STATEWIDE EXPERIMENTAL FISHING
REGULATIONS**

9(a) \$650,000 FRF

*Timothy Goeman
MN DNR
1601 Minnesota Drive
Brainerd, MN 56401
(218) 828-2246*

The purpose of this project is to collect baseline data to evaluate experimental fishing regulations. Eight two-year creel surveys and 3 one-year creel surveys to document the angler harvest and the present status of the fishery on selected lakes. Additionally, intensified sampling will be conducted for target fish populations in selected lakes to determine critical population parameters.

**RIM - ACCELERATE FISHERIES
ACQUISITION FOR ANGLER ACCESS**

9(b) \$300,000 TF

*Dirk Peterson
MN DNR Fisheries
500 Lafayette Road
St. Paul, MN 55155
(612) 296-3325*

The goal of this project is to increase angler access (including non boat owners and urban users) by accelerating easement and fee title acquisition of land adjacent to streams and lakes. The project will accelerate the acquisition of land on trout streams, warmwater streams, lakes, and other critical fish habitats such as springs, aquatic vegetation, spawning sites, and barriers.

**RIM - ACCELERATE FISHERIES HABITAT
DEV. HATCHERY REHAB. AND
STREAMFLOW PROTECTION**
9(c) \$1,000,000 TF/FRF

*Dirk Peterson
MN DNR Fisheries
500 Lafayette Road
St. Paul, MN 55155
(612) 296-3325*

This appropriation provides for the implementation of projects for the acquisition, improvement, and development of fisheries habitat and hatchery rehabilitation. Up to \$215,000 of the appropriation is available to continue the stream flow protection program for the second biennium of a proposed eight biennium effort to establish a watershed level stream habitat database and develop the tools to set protected flows for ecosystem diversity.

Subd. 10 WILDLIFE

**RIM - ACCELERATE WILDLIFE
ACQUISITION**
10(a) \$650,000 TF/FRF

*Kim Hennings
DNR
Division of Fish and Wildlife
500 Lafayette Road
St. Paul, MN 55155
(612) 297-2823*

This project protects critical ecosystems by accelerating state programs to acquire wildlife habitat and wetlands. An additional 500 acres of wildlife habitat, primarily wetlands, will become wildlife management areas or scientific and natural areas.

**RIM - ACCELERATE CRITICAL HABITAT
MATCH PROGRAM**
10(b) \$250,000 TF

*Kim Hennings
DNR Division of Fish and Wildlife
500 Lafayette Road
St. Paul, MN 55155
(612) 297-2823*

This appropriation provides for the acquisition and improvement of critical habitat for game and nongame fish, wildlife, and native plants. Critical Habitat Match encourages and provides an opportunity for private individuals, groups, and businesses to help fund the cost of acquiring or improving critical habitat.

**RIM - ACCELERATE WILDLIFE HABITAT
STEWARDSHIP**
10(c) \$450,000 FRF

*Dick Carlson
DNR Division of Fish and Wildlife
500 Lafayette Road
St. Paul, MN 55155
(612) 297-0705*

This appropriation provides for improvement of wildlife habitat and natural plant communities on both state owned urban and rural lands, the protection and enhancement of wildlife populations and native plant species, and the promotion of ecological diversity.

**BIOMASS PRODUCTION, MANAGEMENT,
AND RESTORATION OF BRUHLAND
HABITATS**
10(d) \$200,000 FRF

*Donald Christian
University of MN
Department of Biology
211 Life Science
Duluth, MN 55812
(218) 726-7263 or -6262*

The overall goals of this project are to enhance understanding of brushlands as a biological resource and to develop management approaches for the ecosystem. This will involve investigating the feasibility of harvesting brush as a biomass energy source, investigating the use of brushlands as habitat for wildlife such as the sharptailed grouse, and increasing the awareness of brushland management issues.

TURN IN POACHERS YOUTH ACTIVITY BOOK

10(e) \$50,000 FRF

\$12,500 Nonstate Match

*Mark Wm. Johnson
TIP, Inc.
4532 France Avenue South
Edina, MN 55410
(612) 922-5493*

This appropriation is for the printing and dissemination of an activity book to inform and educate children about poaching and its impact on natural resources and to promote ethical hunting and fishing. All youth attending the DNR Firearm Safety Training Course, as well as all fifth graders attending Minnesota public school and private schools will receive the activity book.

Subd. 11: ENERGY

INTER-CITY ELECTRIC VEHICLE TRANSPORTATION DEMONSTRATION

11(a) \$150,000 OOC

\$ 30,000 Nonstate Match

*David A. Johnson
Minnesota Power
30 W. Superior Street
Duluth, MN 55802
(218) 722-0264*

The goal of this project is to develop and evaluate an electric vehicle infrastructure for use between Duluth and St. Paul, including installation of a charging station in Duluth, Hinkley, and St. Paul. A long-term demonstration will be conducted to illustrate the feasibility and practicality of using electric vehicles for inter-city travel. Results of the demonstration will be used in educating the public on the technology and the environmental benefits associated with this mode of transportation.

SUSTAINABLE DEVELOPMENT OF WIND ENERGY ON FAMILY FARMS

11(b) \$200,000 OOC

*Sue Gunderson
Sustainable Resources Center
1916 Second Avenue South
Minneapolis, MN 55403
(612) 872-3282*

The goal of this project is to provide technical assistance and technology transfer to family farmers for the development of wind energy harvesting. A curriculum of customer oriented learning materials will be developed using a variety of media. It will cover issues which family farmers have identified as barriers to harvesting wind on their property.

1 MEGAWATT HYBRID ELECTRICAL GENERATION SIMULATION PROJECT

11(c) \$50,000 OOC

*Daniel Juhl
DanMar & Associates
191 W. 5th Street
Cottonwood, MN 56229
(507) 423-5127*

This project will gather wind data and utility load patterns and use this information to model the combined use of biofuel (ethanol or soybeans) and wind energy technologies to supply electricity. By using biofuels to firm up wind energy this project will attempt to show this system will provide energy on demand.

AVIAN POPULATION ANALYSIS FOR WIND POWER GENERATION REGIONS

11(d) \$75,000 OOC

\$75,000 Nonstate Match

*John R. Dunlop
American Wind Energy Association
448 Morgan Ave. So., Suite 300
Minneapolis, MN 55405-2030
(612) 377-3270*

The goal of this project is to identify and assess significant areas of avian activity within identified wind farm corridors in Minnesota. Existing data on breeding bird populations will be augmented with data from surveys currently being conducted in the area by the Natural Resources Research Institute. Data will be used to test whether or not variables associated with migrant densities can be used to predict the migration patterns detected at the study sites.

**ENERGY IMPROVEMENTS IN PUBLIC ICE
ARENAS**

11(e) \$470,000 OOC

*David Bohac
Center for Energy and Environment
100 North 6th Street, Suite 412A
Minneapolis, MN 55403-1520
(612) 348-4830*

This project will accelerate the installation of energy and indoor air quality improvements in publicly owned ice arenas. At least 25 arenas around the state will receive installments. In addition information will be disseminated to other area managers which may assist them in implementing steps to increase energy efficiency and air quality in their arenas.

Subd. 12: Historic

**RESTORE HISTORIC MISSISSIPPI RIVER
MILL SITE**

**12(a) \$120,000 FRF
\$120,000 Nonstate Match**

*Thomas R. Griffin
Crown Hydro
5436 Columbus Avenue South
Minneapolis, MN 55417
(612) 8251043*

This appropriation provides for the restoration for public use of the historic West Bank Mills District on the Mississippi River in Minneapolis: in particular to reopen an area of the historic First Street tunnel from the Crown Roller Building to the end of the historic First Street Tunnel (150 yards) for public tours, unearth and restore the historic gatehouse foundation, construct catwalks and lighting through the tailrace tunnels, and restore and display the historic turbine at the historic Crown Roller Mill. This appropriation is contingent on the receipt of all applicable hydropower and other public agency approval.

POND-DAKOTA MISSION RESTORATION

**12(b) \$270,000 FRF
\$80,000 Nonstate Match**

*Greg Ingraham
City of Bloomington
2215 W. Old Shakopee Road
Bloomington, MN 55431
(612) 948-8877*

This appropriation provides for the continued restoration of the Gideon H. Pond and Agnes Hopkins Pond house and Dakota Indian Mission site.

**JOSEPH R. BROWN INTERPRETIVE
CENTER RESTORATION PROJECT**

**12(c) \$75,000 FRF
\$5,000 Nonstate Match**

*Earl Renneke
Sibley County Historical Society
RR 2, P.O. Box 45
LeSueur, MN 56058
(612) 237-2613*

This appropriation provides for beginning the building restoration and renovations on the 1879 Sibley County Courthouse to be used as the Joseph R. Brown Interpretive Center.

**HERITAGE TRAILS
12(d) \$200,000 FRF**

*Rachel Tooker
MN Historical Society
345 Kellogg Blvd. West
St. Paul, MN 55102-1906
(612) 297-7451*

This appropriation provides for the planning, construction, and improvement of trails at the Oliver Kelley Farm, Northwest Company Fur Post, and the Jeffers Petroglyphs, and the design of a trail extension to the Lower Sioux Agency. Markers and interpretive kiosks will be placed along some trails and self-guided brochures will be produced.

**RESTORATION OF HISTORIC ELBA FIRE
TOWER**

12(e) \$73,000 FRF

*Nancy Roberts
Elba Booster Club
Rt. 1, Box 243 A
Altura, MN 55910
(507) 932-4538*

This appropriation provides for restoration of the historic Elba Fire Tower complete with interpretive signage, media, brochures, trails, steps and parking lot. The intention is to make the tower available to the public, for recreation and educational use, using community and agency teamwork to accomplish completion of the project.

**MANAGING MINNESOTA SHIPWRECKS
12(f) \$100,000 FRF**

*Scott Anfinson
MN Historical Society
345 Kellogg Blvd. W.
St. Paul, MN 5102
(612) 296-5434*

This appropriation provides for the continued effort to find, preserve, and interpret significant underwater and shoreline historic resources associated with shipping. Survey of historic north shore shipping facilities and shipwrecks, survey shipwrecks in Minnesota inland lakes and rivers will be conducted. A conference on underwater cultural resources will be organized and the current management plan will be revised.

**LAC QUI PARLE MISSION HISTORIC TRAIL
12(g) \$181,000 FRF**

*Rachel Tooker
MN Historical Society
345 Kellogg Blvd. West
St. Paul, MN 55102-1906
(612) 297-7451*

This project will construct a ten foot wide, mile-long trail for hiking and biking, including an overlook at the site of the historic Lac Qui Parle Mission.

Subd. 13: BIOLOGICAL CONTROL

**BIOLOGICAL CONTROL OF EURASIAN
WATERMILFOIL AND PURPLE
LOOSESTRIPE - CONTINUATION
13(a) \$300,000 TF/FRF**

*Chip Welling
MN DNR
Ecological Services Section
Box 25, 500 Lafayette Road
St. Paul, MN 55155-4025
(612) 297-8021*

This project will continue the development of biological controls for the exotic species Eurasian watermilfoil and purple loosestrife. For Eurasian watermilfoil, the project will further evaluate the potential for native or naturalized insects or pathogens to control milfoil. For purple loosestrife, this project will continue to evaluate the use of four Eurasian insects known to contribute to the control of this plant. In addition, the potential of native or naturalized fungi to control loosestrife will be evaluated.

**BIOLOGICAL CONTROL OF OVERLAND
SPREAD OF OAK WILT
13(b) \$90,000 FRF**

*Dan Gillman
MN Dept. of Agriculture
Plant Protection Division
90 West Plato Blvd.
St. Paul, MN 55107-2094
(612) 296-0592*

This project seeks to improve methods for enhancing natural biological control of overland spread of oak wilt through the application of a rival fungus species known to be a competitor with the fungus responsible for oak wilt.

**BENEFICIAL FUNGAL INOCULUM FOR
PRAIRIE AND WETLAND RECLAMATION
13(c) \$100,000 TF**

*Iris Charvat
University of MN
220 Biological Sciences Center
St. Paul, MN 55108-1095
(612) 625-3199*

This project will attempt to characterize and develop inoculum production methods for soil fungi associated with the roots of native and naturalized Minnesota prairie and wetland plants to assist their restoration. Data will be collected to increase the limited baseline information available about the biodiversity of these fungi species in MN. In addition inoculum production will be set up using spore samples collected from the field. The projected final result will be the development of culturing methods that allow large amounts of inocula to be produced commercially.

Subd. 20: ADDITIONAL APPROPRIATIONS

**STATE PARK AND RECREATION AREA
ACQUISITION**

20(a) \$1,120,000 TF

*John Strohkirch
DNR
500 Lafayette Road
St. Paul, MN 55155-4039
(612) 296-8289*

The goal of this project is to acquire high priority parcels from willing sellers located within state park and recreation statutory boundaries.

**METROPOLITAN REGIONAL PARK
ACQUISITION, ADDITIONAL FISCAL YEAR
1995 APPROPRIATION**

20(b) \$1,120,000 TF

*Arne Stefferud
Metropolitan Council
Mears Park Centre
230 E. Fifth Street
St. Paul, MN 55101
(612) 291-6360*

This appropriation is to be used to acquire parks and trails consistent with the metropolitan council regional recreation open space capital improvement plan. Acquisitions planned include 80 acres of vacant land in Gray Cloud Island Regional Park and/or partially finance 56 acres parcel in Cottage Grove Ravine Regional Park, Washington County, 55.78 acres of vacant land in Rice Creek-Chain of Lakes Park Reserve, Anoka County, and land in Dakota County Regional Parks.

**Laws 1995, First Special Session, Chapter
2, Art. 1, Sec. 5, Subd. 2**

**CANNON VALLEY TRAIL REPAIR
\$175,000 TF**

*Bruce Blair
City Hall
306 West Mill Street
Cannon Falls, MN 55009
(507) 263-3954*

This appropriation is for the repair of erosion damage to the Cannon Valley Trail in the vicinity of milepost 80.

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1996 Appropriations:

Minnesota Laws 1996, Chapter 407, Section 8, Subdivisions 3-7

Subd. 3 Parks and Trails

(a) Metropolitan Regional Park System	\$1,000,000
(b) State Park and Recreation Area Acquisition	1,000,000
(c) Local Grants	895,000
(d) Chippewa County Regional Trail	410,000

Subd. 4 Urban and Natural Resources

Greenway Corridors and Natural Areas Project	50,000
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Subd. 5 Management Approaches

Upper Mississippi River Assessment Project	57,000
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Subd. 6 Natural Resource Data

(a) Public Internet Access to Data and Information	360,000
(b) Assessment of Wetland Regulations	15,000

Subd. 7 Wildlife

(a) RIM - Accelerate Critical Habitat Match Program	750,000
(b) Investigation of Deformed Frogs in Minnesota	151,000
(c) Niemackl Watershed Improvement	200,000

Subd. 3 Parks and Trails:

Metropolitan Regional Park System

(M.L. 1996, Ch. 407, Sec. 8, Subd. 3a)

Arne Stefferud

Metropolitan Council

(612) 291-6360

\$1,000,000 Appropriation - Future Resources Fund

This appropriation to the Department of Natural Resources distributed subgrants to local government units through the Metropolitan Council to rehabilitate, develop, acquire, and retrofit the metropolitan regional park system consistent with the metropolitan council regional recreation open space capital improvement program..

State Park and Recreation Area Acquisition

(M.L. 1996, Ch. 407, Sec. 8, Subd. 3b)

John Strohkirch

MN Department of Natural Resources

(612) 296-8289

\$1,000,000 Appropriation - Environment and Natural Resources Trust Fund

The Department of Natural Resources was appropriated funds for the acquisition of land within the statutory boundaries of state parks and recreation areas.

Local Grants

(M.L. 1996, Ch. 407, Sec. 8, Subd. 3c)

Wayne Sames

MN Department of Natural Resources

(612) 296-1567

\$895,000 Appropriation - Future Resources Fund

This appropriation to the Department of Natural Resources directed matching grants to local units of government for the acquisition, rehabilitation, and development of local park and recreational areas, the Conservation Partners Grant Program, and the Cooperative Trail Grants Program. All of the grants programs required a dollar for dollar match to receive funding.

- \$665,000 was allocated for the Local Park Grants Program.
- \$100,000 was allocated for the Conservation Partners Grant Program.
- \$130,000 was allocated for the Cooperative Trail Grants Program.

Chippewa County Regional Trail

(M.L. 1996, Ch. 407, Sec. 8, Subd. 3d)

James E. Norman

City of Montevideo

(320) 269-6575

\$410,000 Appropriation - Future Resources Fund

This appropriation to the Department of Natural Resources awarded a grant to the City of Montevideo for the acquisition and development of the Chippewa County Regional Trail.

Subd. 4 Urban and Natural Resources:

Greenway Corridors and Natural Areas Project

(M.L. 1996, Ch. 407, Sec. 8, Subd. 4)

John Pauley

MN Department of Natural Resources

(612) 772-7977

\$50,000 Appropriation - Future Resources Fund

The Department of Natural Resources was appropriated funds to develop a strategy to protect and manage greenway corridors and significant natural areas in the seven-county metropolitan area.

Subd. 5 Management Approaches:

Upper Mississippi River Assessment Project

(M.L. 1996, Ch. 407, Sec. 8, Subd. 5)

Steve Light

MN Department of Natural Resources

(612) 296-9228

\$57,000 Appropriation - Future Resources Fund

The Department of Natural Resources was appropriated funds to contribute to the evaluation of the economic and environmental sustainability of the upper Mississippi River.

Subd. 6 Natural Resource Data:

Public Internet Access to Data and Information

(M.L. 1996, Ch. 407, Sec. 8, Subd. 6a)

Colleen Mlecoch

MN Department of Natural Resources

(612) 296-1305

Shari Wright

MN Pollution Control Agency

(612) 297-1534

\$360,000 Appropriation - Future Resources Fund

The Department of Natural Resources was appropriated funding for a joint venture with the Pollution Control Agency to provide public access via the internet to natural resource, environmental, and ecosystem data and information.

Assessment of Wetland Regulations

(M.L. 1996, Ch. 407, Sec. 8, Subd. 6b)

Greg Larson

Board of Water and Soil Resources

(612) 296-0882

\$15,000 Appropriation - Future Resources Fund

The Board of Water and Soil Resources was appropriated funds to assess the economic impact of wetland regulations on property values, in connection with a study by the wetland heritage advisory committee of the issue of compensation to landowners for costs, including reduced property values, resulting from regulation under state law of draining and filling of wetlands.

Subd. 7 Wildlife:

RIM - Accelerate Critical Habitat Match Program

(M.L. 1996, Ch. 407, Sec. 8, Subd. 7a)

Kim Hennings

MN Department of Natural Resources

(612) 297-2823

\$750,000 Total Appropriation:

\$120,000 from Future Resources Fund

\$630,000 from Environment and Natural Resources Trust Fund

The Department of Natural Resources was appropriated funds to accelerate the Critical Habitat Match Program which provides opportunities for private individuals, groups, and businesses to help fund the cost of acquiring or improving critical fish, wildlife, and native plant habitats.

Investigation of Deformed Frogs in Minnesota

(M.L. 1996, Ch. 407, Sec. 8, Subd. 7b)

\$151,000 Total Appropriation - Future Resources Fund

Judy Helgen

MN Pollution Control Agency

(612) 296-7240

\$123,000 Appropriation

Tracy Fredin

Hamline University

(612) 659-3105

\$28,000 Appropriation

The Pollution Control Agency was appropriated funds to investigate the health of frog populations and evaluate the causes of frog deformities. In addition, Hamline University was allocated a portion of the funds to educate the public through schools and other organizations, and to study frogs as environmental indicators.

Niemackl Watershed Improvement

(M.L. 1996, Ch. 407, Sec. 8, Subd. 7c)

Jim Breyen

MN Department of Natural Resources

(218) 755-3958

\$200,000 Appropriation - Future Resources Fund

The Department of Natural Resources was reappropriated funds as part of continuing the 1993 funded project for the restoration of the Niemackl watershed by improvement of water quality, flood reduction, fish and wildlife habitat, and recreation through citizen participation with federal, state and local governments, and nongovernment agencies.

LCMR Overview

Laws 1996 Chapter 463 (Bonding)

Sec. 7. NATURAL RESOURCES

Subd. 28. Work Program

The commissioner of natural resources must submit a work program and semiannual progress reports in the form determined by the legislative commission on Minnesota resources and request its recommendation before spending any money appropriated by subdivision 5, 6, 7, 8, 9, 11, 12, 13, 14, 19, 20, 21, 22, 23, 24, or 27 of this section. The commission's recommendation is advisory only. Failure to respond to a request within 60 days after receipt is a positive recommendation. Work programs involving land acquisition must include a land acquisition plan.

Subd. 5	State Park Building Rehabilitation	2,400,000
Subd. 6	State Park Building Development	1,750,000
Subd. 7	State Park Betterment and Rehabilitation	1,450,000
Subd. 8	State Park Acquisition	1,750,000
Subd. 9	Metro Regional Parks	9,400,000
Subd. 11	Trail Rehabilitation	500,000
Subd. 12	Trail Acquisition and Development	4,000,000
Subd. 13	Blue Earth/Minnesota River Trail Acq.	230,000
Subd. 14	Mesabi Trail System	500,000
Subd. 19	RIM Fisheries Improvements	250,000
Subd. 20	RIM Fisheries Acquisition	300,000
Subd. 21	RIM Wildlife, SNA, Prairie Bank Improvements	900,000
Subd. 22	RIM Wildlife, CHM and Natural Area Acquisition	3,500,000
Subd. 23	St. Louis River Land Acquisition	2,200,000
Subd. 24	McQuade Public Access	500,000
Subd. 27	Laurentian ELC (Gov. Veto)	750,000

LCMR Overview

Laws 1996 Chapter 463 (Bonding)

Sec. 11. BOARD OF WATER AND SOIL RESOURCES (Bonding)

Subd. 5. Work Program

The board of water and soil resources must submit a work program and semiannual progress reports in the form determined by the legislative commission on Minnesota resources and request its recommendation before spending any money appropriated by this section. The commission's recommendation is advisory only. Failure to respond to a request within 60 days after receipt is a positive recommendation. Work programs involving land acquisition must include a land acquisition plan.

Subd. 2	Area II Minnesota River Basin	250,000
Subd. 3	RIM and PWP Conservation Easements	11,500,000
Subd. 4	Road Construction & Wetland Replacement Credit	3,000,000

LCMR Overview

Minnesota Statutes 1996

290.431 Nongame wildlife checkoff.

Every individual who files an income tax return or property tax refund claim form may designate on their original return that \$1 or more shall be added to the tax or deducted from the refund that would otherwise be payable by or to that individual and paid into an account to be established for the management of nongame wildlife. The commissioner of revenue shall, on the income tax return and the property tax refund claim form, notify filers of their right to designate that a portion of their tax or refund shall be paid into the nongame wildlife management account. The sum of the amounts so designated to be paid shall be credited to the nongame wildlife management account for use by the nongame program of the section of wildlife in the department of natural resources. All interest earned on money accrued in the nongame wildlife management account shall be credited to the account by the state treasurer. The commissioner of natural resources shall submit a work program for each fiscal year and semiannual progress reports to the legislative commission on Minnesota resources in the form determined by the commission. None of the money provided in this section may be expended unless the commission has approved the work program.

The state pledges and agrees with all contributors to the nongame wildlife management account to use the funds contributed solely for the management of nongame wildlife projects and further agrees that it will not impose additional conditions or restrictions that will limit or otherwise restrict the ability of the commissioner of natural resources to use the available funds for the most efficient and effective management of nongame wildlife.

HIST: 1980 c 607 art 1 s 24; 1981 c 356 s 340; 1982 c 523 art 1 s 42; 1983 c 342 art 1 s 35; 1984 c 514 art 2 s 28; 1986 c 383 s 14; 1988 c 690 art 1 s 1; 1989 c 335 art 1 s 269

LCMR Overview

Minnesota Statutes 1996

290.432 Corporate nongame wildlife checkoff.

A corporation that files an income tax return may designate on its original return that \$1 or more shall be added to the tax or deducted from the refund that would otherwise be payable by or to that corporation and paid into the nongame wildlife management account established by section 290.431 for use by the section of wildlife in the department of natural resources for its nongame wildlife program. The commissioner of revenue shall, on the corporate tax return, notify filers of their right to designate that a portion of their tax return be paid into the nongame wildlife management account for the protection of endangered natural resources. All interest earned on money accrued in the nongame wildlife management account shall be credited to the account by the state treasurer. The commissioner of natural resources shall submit a work program for each fiscal year to the legislative commission on Minnesota resources in the form determined by the commission. None of the money provided in this section may be spent unless the commission has approved the work program.

The state pledges and agrees with all corporate contributors to the nongame wildlife account to use the funds contributed solely for the nongame wildlife program and further agrees that it will not impose additional conditions or restrictions that will limit or otherwise restrict the ability of the commissioner of natural resources to use the available funds for the most efficient and effective management of those programs.

HIST: 1989 c 335 art 1 s 189

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Minnesota Statutes 1996

4.071 Oil overcharge money.

Subdivision 1. Appropriation required. "Oil overcharge money" means money received by the state as a result of litigation or settlements of alleged violations of federal petroleum pricing regulations. Oil overcharge money may not be spent until it is specifically appropriated by law.

Subd. 2. Minnesota resources projects. The legislature intends to appropriate one-half of the oil overcharge money for projects that have been reviewed and recommended by the legislative commission on Minnesota resources. A work plan must be prepared for each proposed project for review by the commission. The commission must recommend specific projects to the legislature.

Subd. 3. Energy conservation projects. The oil overcharge money that is not otherwise appropriated by law or dedicated by court order is appropriated to the commissioner of economic security for energy conservation projects that directly serve low-income Minnesotans. This appropriation is available until spent.

HIST: 1988 c 686 art 1 s 36; 1988 c 690 s 1; 1989 c 335 art 1 s 269; 1990 c 568 art 2 s 1; 1994 c 483 s 1

Minnesota Statutes 1996

116Q.01 Great Lakes protection fund.

The Great Lakes protection fund has been created by the governors of the eight Great Lakes states as a nonprofit corporation under the laws of the state of Illinois. The fund is a permanent endowment whose purpose is to advance the principles, goals, and objectives of the Great Lakes toxic substances control agreement executed by the governors of the eight Great Lakes states in May 1986 and to ensure the continuous development of needed scientific information, new cleanup technologies, and innovative methods of managing pollution problems as a cooperative effort in the Great Lakes region. The governor may enter this state as a member of the Great Lakes protection fund and do all things necessary or incidental to participate in the fund, as spelled out in its articles of incorporation, filed with the Illinois secretary of state on or about September 26, 1989, and its bylaws, as amended through September 26, 1989. If congressional consent to the Great Lakes protection fund carries with it conditions that materially change the provisions agreed to by the party states, this state reserves the option to terminate further participation in the fund.

HIST: 1990 c 594 art 1 s 58

116Q.02 State receipts from the fund.

Subdivision 1. Great Lakes protection account. Any money received by the state from the Great Lakes protection fund, whether in the form of annual earnings or otherwise, must be deposited in the state treasury and credited to a special Great Lakes protection account. Money in the account must be spent only as specifically appropriated by law for protecting water quality in the Great Lakes. Approved purposes include, but are not limited to, supplementing in a stable and predictable manner state and federal commitments to Great Lakes water quality programs by providing grants to finance projects that advance the goals of the regional Great Lakes toxic substances control agreement and the binational Great Lakes water quality agreement.

Subd. 2. LCMR review. The legislature intends not to appropriate money from the Great Lakes protection account until projects have been reviewed and recommended by the legislative commission on Minnesota resources. A work plan must be prepared for each project for review by the commission. The commission must recommend specific projects to the legislature.

HIST: 1990 c 594 art 1 s 59

AGENCY: Legislative Commission on Minnesota Resources (LCMR)

AGENCY DESCRIPTION:

The Legislative Commission on Minnesota Resources (LCMR) was created in 1963 to provide the Legislature with the background necessary to evaluate programs proposed to preserve, develop and maintain Minnesota's natural resources.

The LCMR is comprised of 16 members consisting of the chairs of the house and senate committees on environment and natural resources (or designees appointed for the terms of the chairs), the chairs of the House Ways and Means and Senate Finance committees (or designees appointed for the terms of the chairs), 6 members of the Senate appointed by the Subcommittee on Committees of the Committee on Rules and Administration and 6 members of the house appointed by the Speaker. At least 2 members from the senate and 2 members from the house must be from the minority caucus. Commission members elect the officers, rotating the chair from the senate to the house every 2 years. The LCMR employs a full-time professional and support staff.

The commission uses a number of approaches to assess the status of the state's natural resources and identify important issues and needs. These approaches include: site visits to public and private sector natural resource projects and regional forums at which citizens advise commission members of their viewpoints regarding natural resources. In addition to these activities, the commission is advised by a Citizens Advisory Committee regarding priorities for expenditures from the Environment and Natural Resources Trust Fund.

Every 2 years, the commission adopts a comprehensive strategic plan and issues a request for proposal (RFP), a process that is open to everyone to apply. The projects that are selected will be funded from the Future Resources Fund, the Environment and Natural Resources Trust Fund and the Great Lakes Protection Account. In past biennia the commission also recommended expenditures from federal Oil Overcharge Money.

In the 1997 Strategic Plan the commission adopted 16 priorities for funding. In addition to the 16 priority strategies, the LCMR announced in the RFP their intention to recommend money for a Local Initiatives Grants Program and for State and Metro Parks, Recreation Areas and Trails.

In response to the most recent RFP for projects beginning 7-1-97, 441 proposals were received and the total of requested funding was \$190,000,000. The commission evaluated the project proposals based on the criteria and priority strategies set forth in a strategic plan (updated biennially) and in the RFP. Currently, the Citizens Advisory Committee advises the commission regarding allocations from the Environment and Natural Resource Trust Fund. After the commission made an initial selection of those projects that best fit the priority strategies and criteria from among all proposals, 157 project managers were invited to present their project proposals before commission members at a series of hearings. Additionally, all proposed research projects selected for funding recommendation undergo a scientific peer review.

Commission Challenges:

- *Think beyond the short term future to provide a long range view.* The commission, unlike other agencies in this budget, is more like a zero based budgeting operation. The process builds a spending plan from the ground up every 2 years; it's not a matter of continuing existing programs and making a few adjustments. The LCMR strives to understand what the issues of tomorrow

will be and prepare both our colleagues in the legislature and the executive branch agencies. Research, studies, inventories and pilot projects are at the heart of this effort. The commission provides an opportunity for small yet significant projects that may not compete successfully in the rest of this budget process to be addressed.

- *Ensure a statewide perspective on natural resource needs.* Legislators are subject to intense pressure to support local projects. The challenge to LCMR members is to recommend a course that produces a quality future despite intense pressure to reach only to immediate concerns. A measure of success is the degree to which LCMR recommendations transcend purely local interests toward a well-balanced package that recognizes how good local projects can provide examples of new techniques as well as broader service potential.
- *Ensure net gains in environmental spending.* Expenditures from the Environment and Natural Resources Trust Fund may not be used to supplant existing funding per M.S. 116P.03. The LCMR applies this concept to all funding sources in an attempt to gain real progress for Minnesota's natural resources.
- *Initiate and accelerate.* Support innovative ideas and accelerate funding in selected areas of high priority for the future.
- *Institutionalize success.* The LCMR evaluates the wisdom of incorporating successful programs into the regular budget. Adapting regular budgets to accommodate new techniques or programs is an interesting challenge for the commission as well as executive agencies.

EXPLANATION OF AGENCY'S BUDGET PLAN:

The commission's budget plan does not have direct long-range financial implications; a new set of allocation recommendations is prepared each biennium. However, some projects may be recommended for additional allocations in future biennia and some may be recommended for inclusion in the regular budget as required in M.S. 116P.09, Subd. 7(4).

The following is the LCMR's estimate of available resources. The LCMR will adjust its spending recommendations to equal the February 1997 revenue forecast.

Estimate of Available Resources F.Y. 1998-99

Environment and Natural Resources Trust Fund (Fund 030)	\$20,950,000
Minnesota Future Resources Fund (Fund 130)	15,656,000
Great Lakes Protection Account (included in Fund 200)	<u>50,000</u>
TOTAL	\$36,656,000

The final LCMR recommendation includes 101 specific projects to recommend for funding to the 1997 legislature. The funding source, project title, requesting organization and state agency receiving the appropriation are itemized in the table that follows.

GOVERNOR'S RECOMMENDATION:

1996-97 Biennium

Projected Future Resources Fund Deficit

The fund balance for the Future Resources Fund, prepared in conjunction with the November 1996 forecast, projects a deficit of \$2.472 million at the end of F.Y. 1997.

Legislative appropriations from the fund for 1996 and 1997 equaled available resources for the 1996-97 biennium as originally projected. However, a \$2.1 million error in the distribution of cigarette tax receipts was discovered in F.Y. 1996. In addition the Department of Finance has determined that projected expenditures for F.Y. 1996-97 had been understated in previous fund statements by about \$500,000. Correcting these two items results in a projected fund balance deficit of \$2.472 million for F.Y. 1997.

To address the projected deficit the Governor recommends two actions. First, repeal of the \$1.46 million transfer from the Future Resources Fund to the General Fund authorized by Laws of 1995, Chapter 220, section 21.

Second, as required by MS 16A.152, subd 4c, the commissioner of Finance will unallot appropriations in the accounting system as necessary to ensure that the fund remains balanced. Based on a review of unobligated balances in the accounting system and the status of workplans approved by the LCMR, the commissioner of Finance will, prior to 6-30-97, unallot from the following appropriations:

Laws of 1996, Chapter 407, section 8, subd 3(a) Metro Regional Park System	\$1,000,000
Laws of 1995, Chapter 220, section 19, subd 4 (e)(3) Local Grants	\$12,000

These actions will balance the fund for the F.Y. 1996-97 biennium:

Projected fund deficit	(\$2,472)
Repeal transfer to General Fund	1,460
Unallotments	
Metro regional parks	1,000
Local grants	<u>12</u>
Projected fund balance on June 30, 1997	\$-0-

The commissioner will re-establish the allotments for the metro regional parks and for the local grants appropriations on 7-1-97.

1998-99 Biennium

Budget development policies for the 1998-99 biennium instructed agencies to include the allocations recommended by the LCMR for the Environmental and Natural Resources Trust Fund and the Future Resources Fund as agency plan items. The total allocations recommended by LCMR for the two funds now exceed projected fund resources for the 1998-99 biennium.

Future Resources Fund. The Governor recommends that total appropriations from the Future Resources Fund for F.Y. 1998-99 not exceed \$14,362,000. This will require a reduction of \$1,294,000 from the current LCMR recommendations.

Environmental and Natural Resources Fund. The Governor further recommends that the total appropriations from the Environmental and Natural Resources Trust Fund not exceed \$20,342,000. This will require a reduction of \$608,000 from the current LCMR recommendations.