

**BOARD ORDER**

**Grant Noncompliance Policy Revision**

**PURPOSE**

Adopt a revised Grant Noncompliance Policy.

**RECITALS /FINDINGS OF FACT**

- A. Minnesota Statutes §16B.97 provides that the Commissioner of Administration shall “create general grants management policies and procedures that are applicable to all executive agencies.” This includes the policy on Grant Closeout Evaluation (08-13) developed by the Office of Grants Management which informs the content of the Board’s Grant Noncompliance Policy. Policy 08-13 was most recently updated on April 1, 2024.
- B. Minnesota Statutes §103B.101, §103B.3369, and §103C.401 require that the Board ensure compliance with statewide programs and policies.
- C. The current Grant Noncompliance Policy was adopted by the Board on June 26, 2019.
- D. The proposed revised Grant Noncompliance Policy reflects updates to OGM Policy 08-13, provides additional clarity on noncompliance procedure, and meets the requirements of the Office of Grants Management.
- E. The Board’s Grants Program and Policy Committee reviewed the revised Grant Noncompliance Policy on May 19, 2025, and recommend approval to the Board.

**ORDER**

The Board hereby:

- 1. Adopts the revised Grant Noncompliance Policy dated May 28, 2025. This Policy will also apply retroactively to agency grant agreements.

Dated at St. Paul, Minnesota, this May 28, 2025.

**MINNESOTA BOARD OF WATER AND SOIL RESOURCES**



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Todd Holman, Chair  
Board of Water and Soil Resources

Date: 5/28/2025

**BOARD ORDER**

**Fiscal Year 2026 Water Quality and Storage Program Awards**

**PURPOSE**

Authorize the FY26 grant awards for the Water Quality and Storage Program.

**RECITALS /FINDINGS OF FACT**

- A. Minnesota Statutes section 103F.05, subdivision 2, provides the statutory authority for the Water Quality and Storage Program, and includes the purposes of the Program that are “to control water volume and rates to protect infrastructure, improve water quality and related public benefits, and mitigate climate change impacts,” identifies eligible practices, and establishes that the priority areas for the program are the Minnesota River basin and the lower Mississippi River basin.
- B. Laws of Minnesota 2023, Regular Session, Chapter 60, Article 1, Sec. 4(p), appropriated \$17 million in Fiscal Years 24-25 to a water quality and storage program.
- C. Based on board order #25-03, staff issued a request for proposals in the amount of \$3 Million for the Water Quality and Storage Grant Program. The application period opened on February 11, 2025 and closed April 10, 2025.
- D. Eighteen (18) applications were received requesting \$6,852,881. Board Staff reviewed the applications for eligibility and determined that two (2) of the applications were ineligible. After ranking and scoring the remaining sixteen (16) applications, staff recommend that seven (7) projects be funded based on the final scores.
- E. Staff have completed or will be completing grant risk assessments, required by the Office of Grants Management policy #08-06, for the awards prior to authorization.
- F. The Grants Program and Policy Committee, at their May 19, 2025 meeting, reviewed the proposed grant awards and recommended approval to the Board.

**ORDER**

The Board hereby:

- 1. Approves the allocation of funds as listed in the FY2026 Water Quality and Storage Program Funding Recommendations table (Attachment A).
- 2. Authorizes staff to:
  - a) Enter into grant agreements with these funds, consistent with MN Statute 103F.05 and the legislative appropriation.
  - b) Fund up-to the amount listed in Attachment A after design approval, and adjust the awards based on final cost estimates.
  - c) Award funding to contingent project in Attachment A if funding becomes available.

Dated at St. Paul, Minnesota, May 28, 2025.

**MINNESOTA BOARD OF WATER AND SOIL RESOURCES**

  
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Todd Holman, Chair  
Board of Water and Soil Resources

Date: 5/28/2025

*Attachment A: FY2026 Water Quality and Storage Grant Program Funding Recommendations*

<b>FY2026 Water Quality and Storage Program Funding Recommendations</b>		
<b>Organization</b>	<b>Up-to Amount</b>	<b>RFP Outcome</b>
Yellow Medicine County	\$1,376,336	Award
Lyon County SWCD	\$1,153,579	Award
Lyon County SWCD	\$45,986	Award
Blue Earth County SWCD	\$270,738	Award
Faribault County	\$35,500	Award
Rice Creek Watershed District	\$50,000	Award
Area II Minnesota River Basin Projects	\$150,000	Award
Le Sueur County SWCD	\$563,379	Contingent on available funding

## BOARD ORDER

### RIM Easement Alteration Request #07-20-99-01

#### PURPOSE

Board decision on easement alteration request on RIM easement #07-20-99-01 for Blue Earth County road reconstruction of County State Aid Highway (CSAH) 10.

#### RECITALS /FINDINGS OF FACT

- A. The Minnesota Board of Water and Soil Resources (BWSR) acquired the 61.1-acre RIM Easement adjacent to County State Aid Highway (CSAH) 10 in Ceresco Township, Blue Earth County, on March 15, 2001.
- B. The Blue Earth County Highway Department is proposing to relocate, reconstruct and widen a segment of CSAH 10 and its associated right-of-way which currently runs along the southern boundary of the RIM easement.
- C. CSAH 10 has become significantly deteriorated, and the highway department notes poor site distances, unsafe vertical and horizontal curves, and narrow shoulders all posing a risk to the public.
- D. The proposed project will shift the location of the roadway and associated right-of-way further north reducing sharp curves, widen driving lanes and shoulders, flatten adjacent slopes, install new drainage pipes beneath the road, and upgrade pavement.
- E. Blue Earth County has acquired 3.5 acres of RIM easement lands from the previous landowner and is requesting release of those 3.5 acres from the RIM easement to accomplish the project.
- F. MN Statute 103F.535 Subd. 5 states that the Board may alter or release an easement only if the Board determines that the public interests and general welfare are better served by the alteration.
- G. The public interest and general welfare will be better served by correcting current roadway deficiencies, resulting in significant public safety improvements including improved site distances, softer curves, wider driving lands and shoulders, and gentler slopes, which are predicted to reduces crash rates, risk and severity. The wider shoulders will also provide for a safer location for stalled vehicles and maintenance equipment.
- H. The BWSR Easement Alteration Policy for public benefitted projects allows for the release of easement lands when the public entity compensates BWSR at 2x the current RIM rate per acre released and reimburses the State any funds spent on conservation practices on the release area.
- I. Blue Earth County Highway Department has agreed to pay BWSR the amount of \$68,390.92, in accordance with the policy, for the release of the 3.5 acres, repayment of state conservation practice payments and has paid the \$500 application fee required for the Board to consider the alteration.
- J. The RIM Reserve Committee recommends approval of this easement alteration request as voted on at their meeting held May 14, 2025.

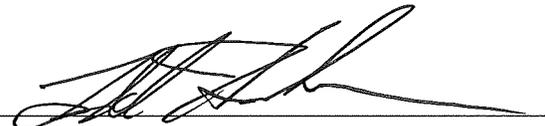
**ORDER**

The Board hereby:

1. Approves the request to alter RIM Easement #07-20-99-01, as proposed, to release the 3.5 acres identified for public road reconstruction purposes, upon receipt of \$68,390.92 to be paid by Blue Earth County.
2. Authorizes staff to work with Blue Earth SWCD to officially amend the necessary RIM easement documents.

Dated at St. Paul, Minnesota, this May 28, 2025.

**MINNESOTA BOARD OF WATER AND SOIL RESOURCES**



Todd Holman, Chair  
Board of Water and Soil Resources

Date: \_\_\_\_\_

5/28/2025

## BOARD ORDER

### RIM Easement Alteration Request #21-18-01-01-C

#### PURPOSE-

Board decision on the easement alteration request on RIM Easement #21-18-01-01-C.

#### RECITALS /FINDINGS OF FACT

- A. The Board of Water and Soil Resources (BWSR) acquired Perpetual RIM Easement #21-18-01-01 on 136.1 acres in Douglas County on June 14, 2002.
- B. The original easement has since been split and sold to 4 separate landowners, one being Mr. Nathe, who purchased a parcel containing 27.2 easement acres in December of 2019. This is easement parcel 21-18-01-01-C.
- C. Nine acres in the southeast corner of the parcel were excluded from the original easement, but no access was left out of the easement to the excluded area, making the exclusion land locked by the RIM easement.
- D. Mr. Nathe currently has a food plot and shed on part of the excluded area, which he must cross the easement to access, causing repeated disturbance to the easement area.
- E. Mr. Nathe is requesting to release 1.5 acres from the current easement, adjacent to the township road, to shift the location of the exclusion and place his shed for better access.
- F. Mr. Nathe is offering to add 9 acres to the RIM easement in exchange, which is a 6:1 land replacement ratio, enrolling the remainder of his parcel into permanent protection.
- G. This request exceeds the land replacement requirements in BWSR's Easement Alteration Policy which requires 4:1 replacement when releasing prior cropland and adding non-cropland to the easement.
- H. Mr. Nathe has agreed to discontinue the food plot on the replacement area and restore that upland area with plantings that will benefit pollinators at his own cost.
- I. MN Statute 103F.535 Subd. 5 states that the board may alter a conservation easement only if the board determines that the public interest and general welfare are better served by the alteration.
- J. The State's natural resource interest would benefit from this easement alteration, as the wildlife habitat value and water quality protection benefits of the 9-acre replacement area exceed that of the release area, resulting in a net gain of 7.5 easement acres.
- K. The Douglas SWCD Board and DNR Area Wildlife Supervisor have both signed a letter in support of this request.
- L. The RIM committee recommends approval of this request as voted on at their May 14, 2025 meeting.

#### ORDER

The Board hereby:

1. Approves the request to alter RIM Easement #21-18-01-01-C, as proposed, to release 1.5 acres and replace with the remaining 9 acres of the parcel.

2. Authorizes staff to work with Douglas SWCD staff to officially amend the necessary RIM easement documents.
3. Further orders that Mr. Nathe shall be responsible for removing or correcting any objectionable title defects, liens, or encumbrances, as specified by BWSR, prior to amending this easement; and agrees to pay any necessary title insurance, recording fees and restoration costs within the replacement area.

Dated at St. Paul, Minnesota, this May 28, 2025.

**MINNESOTA BOARD OF WATER AND SOIL RESOURCES**



Todd Holman, Chair  
Board of Water and Soil Resources

Date: 5/28/2025

**BOARD ORDER**

**ACUB Easement Alteration Request - #49-01-12-04**

**PURPOSE**

Board decision on the easement alteration request for ACUB easement #49-01-12-04 in Morrison County.

**RECITALS /FINDINGS OF FACT**

- A. The Minnesota Board of Water and Soil Resources (BWSR) acquired an Army Compatible Use Buffer (ACUB) Easement #49-01-12-04 in Morrison County, in partnership with the National Guard Bureau and Camp Ripley, on March 30, 2012.
- B. The current landowner, Mr. Kroll, purchased the property containing the ACUB easement in January 2016.
- C. The current land use on the easement is row crop agriculture, which is a permitted land use on federally funded ACUB easements.
- D. Mr. Kroll is requesting the release of 0.5 easement acres, to enter into a long-term lease for construction of a 5G cellular communications tower, which he would also like to use to support a GPS transmitter to use in conjunction with a tractor auto-steer device to assist with his farming operation.
- E. Mr. Kroll is proposing to add 1.5 acres of cropland to the easement in return and has submitted the \$500 administrative fee for the board to consider the request.
- F. The purpose of the ACUB program in Minnesota is to limit development or use of property that would be incompatible with the mission of military operations at Camp Ripley while preserving open space and habitat within a priority buffer area round Camp.
- G. Program partners at Camp Ripley are opposed to the easement alteration request and consider a communications tower within Camp Ripley's Class D airspace a vertical hazard for flight and training operations and therefore incompatible with their mission.
- H. The ACUB easement language states that if BWSR fails to enforce the easement or allows the easement property to be used for a purpose inconsistent with the mission of Camp Ripley, the Secretary of Army could take action to transfer the easement rights to the United States or a third-party non-profit corporation.
- I. The RIM Reserve Committee recommends the board deny this easement alteration request as voted on at their meeting held May 14, 2025.

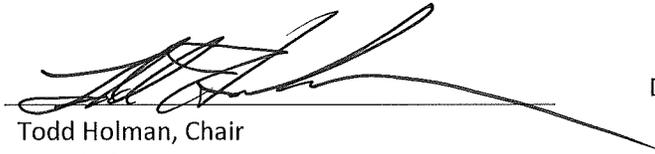
**ORDER**

The Board hereby:

1. Denies the easement alteration request on ACUB easement 49-01-12-04.

Dated at St. Paul, Minnesota, this May 28, 2025.

**MINNESOTA BOARD OF WATER AND SOIL RESOURCES**

  
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Todd Holman, Chair  
Board of Water and Soil Resources

Date: 5/28/2025