December 16, 2013: Be heard and be a part of history!

Minnesota River Board to Make Recommendation on Future Basin-Level Coordination and Funding

MN River Basin Coordination: Information YOU should know!

Flathead catfish, just one of many MN River treasures!

1994: A call for collaboration...

In 1994, the Minnesota River Citizen's Advisory Committee (MRCAC) released "Working Together: A Plan to Restore the Minnesota River." The MRCAC recommended a coordinated effort to clean up the Minnesota River. As a result, the Minnesota River Basin Joint Powers Board (*aka*, Minnesota River Board; MRB) was legislatively formed in 1995 (MN Statute 103F.378).

The state's namesake river was in need of help, and 37 counties in the basin stepped up to form what is still the state's largest joint powers organization. The counties were joined by countless watershed, agency, private, and citizen partners and with great intentions, the MRB was born in 1996.

MRB Mission
"To provide leadership, build partnerships, and support efforts to improve and protect water quality in the Minnesota River Basin"

MRB Vision
"Conservation and restoration of Minnesota River resources and our way of life can only be achieved by a cooperative effort between citizens and all levels of government and business."

2012: A call for change...

After nearly 20 years of initiatives, challenges, and calls for change from valued partners, the MRB delegates passed Resolution 12-01 in September 2012 to dedicate funds for a full external review of the MRB governance, mission, services, and funding.

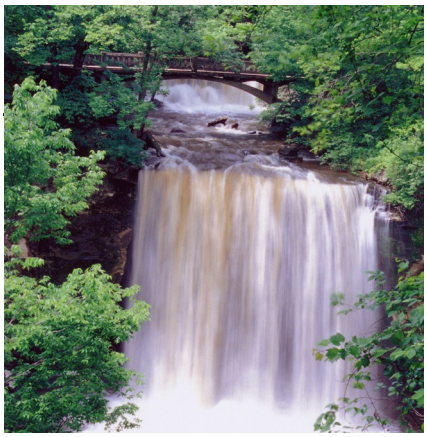
A review process that included steering committee representation from SWCDs, Watershed Districts/projects, agricultural organizations, and citizen-based organizations held focus groups, gathered stakeholder information, and developed recommendations about future basin-level coordination (see Bigger Associates Report on page 2). The steering committee identified guiding principles that have shaped the future basin entity and funding discussion.

Change is coming and the MRB wants input!
This is about the future of Minnesota River LGUs and conservation partners, not just a basin entity!

MRB Adds Reform to its Strategic Plan

FY13-17
MRB Strategic Plan Priorities

1) *Basin Board Structure and Management Modifications*
2) *Funding Stabilization and Support Mechanisms*
3) *Drainage System Redetermination of Benefits*
4) *Public Waters Buffers*
5) *Water Storage and Drainage Management*
6) *Threats to the MN River*



Minneopa Falls—A natural feature of the Minnesota River

In 2011, the MRB initiated an internal process to identify mechanisms to better serve and support watershed partners.

The MRB collected data by asking our delegates and partners to address several critical questions:

1) What roles should a Basin-level entity have?
2) What river-related matters will be most challenging for you/your organization during the next decade?
3) How can a basin-level entity support and enhance local conservation efforts?
4) The MRB needs "big ideas" in our strategic plan that will have an impact and result in something that our delegates, staff, and partners can be proud of – what are some "big ideas" we should evaluate?

Partner Feedback
The responses clearly indicated that *change was needed*!

- To advance a basin-wide mission and provide effective support, resource deficiencies (both labor and funding) must be addressed.
- A basin entity must have innovative and aggressive strategic approaches with measurable results implemented by local on-the-ground partners.
- Basin wide efforts should be focused and higher profile.
- Basin-level governance must be more broadly represented to improve collaboration.

The MRB heard its constituents and the feedback was a driving force behind the FY13-17 MRB Strategic Plan. The plan called for Board structure modifications, funding stabilization plans to support the Minnesota River watersheds, and priority focus areas (see left sidebar).

Bigger Associates Report Recommendations

"While there were several calls for the MRB to disband, there were many more voices that see a need for a basin entity."

–Cindy Bigger, External Review Lead

January 2013 —

Minnesota River watershed professionals and citizens brought their concerns to the table and helped identify needed changes if a basin entity is to continue.

Bottom Line
Is the will there to move forward and do what needs to be done?

Primary Recommendations (summarized/paraphrased)

- A basin board needs to include diverse representation.
- Representation should be based on major watersheds.
- The mission must be clear, effective, and statutory.
- Board should be based on enabling legislation that clearly defines authorities, funding, and representation.
- Needs to be led by a full-time Director and staff.
- Commit to issue-based input strategies to set priorities.
- Change the dues structure to be more equitable.
- ***Implement these recommendations or disband!***

Assumptions and Guiding Principles for Change

The external review committee (members listed on page 4), along with input from agency staff, MRB delegates, citizens, and other partners, established guiding principles and assumptions to shape discussions about a new basin entity and funding.

> *"A new Minnesota River Basin entity will be significantly different than the current model."*
> –MRB Executive Committee and Executive Director

What would a new basin board do? What would it look like?

A new Minnesota River Basin entity shall….

- be based on integrity, transparency, accountability, and inclusiveness,
- advocate for processes that enhance organizational stability,
- strive to attract and retain a talented workforce in all the watersheds,
- support major watershed conservation plans and local implementation,
- recognize local relationships as critically important to resolving watershed issues,
- establish equitable collection, use, and distribution of resources,
- include complete basin coverage,
- be a strong advocate for targeted/prioritized practices with measurable outcomes,
- advocate for conservation that provides the greatest benefit to the basin,
- deliver rapid responses to legislative, legal, and funding actions, and
- establish a "living document" that is flexible and pro-active.

Furthermore, a new Minnesota River Basin entity will….

- be significantly different than the current model,
- be established and mandated in whole or in part by law,
- have a governing body based on major watershed representation,
- have inclusive governance of the basin conservation community,
- strive to implement a mechanism of locally-generated revenue,
- have local government revenue collection/controls, and
- anticipate major watershed organizations and plans for the entire basin.

It boils down to this…

1) **Major Watershed Foundation**
2) **New Board Structure from #1**
3) **Major Watershed Water Plans**
4) **Defined Support for #3**
5) **Locally Generated Revenue**

MRB to Make Basin Entity & Funding Recommendation

The MRB, at least as we know it, is coming to an end. Our job is to make a recommendation about how a new basin-level entity should be structured and funded. The over-arching duties and responsibilities of a new basin entity are outlined above. Over the past 18 months, various options have been brought forward for consideration.

The Four Key Options (outlined on page 4 of this report)

Option A: Bottom-up watershed-based planning w/local revenue generation (w/MRB outreach/legislative support)
Option B: Option A PLUS additional basin board revenue generation (w/MRB outreach/legislative support)
Option C: Recommendation to the State for Option A or B (no additional MRB involvement)
Option D: Recommendation of other alternative(s) or no recommendation (no additional MRB involvement)

Options A and B assume 1) that the current MRB will provide outreach and legislative support to advance the recommendation, 2) collection of the second half of the FY14 dues, 3) collection of any incurred costs associated with final task completion, and 4) postpones current MRB sunset/dormancy until at least June 30, 2014.

Options C and D assume 1) immediate provision of recommendation to the State with no additional MRB involvement, 2) collection of any incurred costs associated with final task completion, and 3) a sunset/dormancy of approximately March 15, 2014.

Fall on the MN River!

Options for Future Coordination and Funding

Option A Summary:

- Bottom up watershed-based planning and implementation scheme.
- Counties, SWCDs, WD/WMOs as the primary LGUs.
- Major watershed plans used to set new Basin Board priorities and functions.
- New Basin Board funded through a process of budgeting and certification.
- The new Basin Board would develop and adopt budget, counties would collect.
- Flexible Revenue collection options may include
  - -water management fees (e.g., storm water utility),
  - -fee based on per parcel/per acre charge sufficient to generate budget amount,
  - -new fee authority for Basin counties, and/or
  - -*ad valorem* dedication.
- Requires major watershed organization via formal agreements.
- Two Basin Board delegates appointed/elected by each watershed entity.
- Three at-large delegates selected by basin-wide process to assure fair representation.
- New fiscal authorities to SWCDs/Counties to implement major watershed plans.
- Local revenue provides competitive match for state/federal funding for all basin partners.
- "Failure to implement provision" would be required and sets performance standards.
- Current MRB maintains support role for legislative/outreach needs through FY14.

Option B Summary:

Option B Includes all aspects of Option A plus the additional components listed below.

- Additional funding authority specifically for the Basin Entity (similar to Red River Model).
- Funds collected by the counties in addition to revenue identified in Option A.
- Allows more funds in Option A to remain local, rather than be re-distributed.
- Revenue would be subject to a legislative cap.
- Funds would target large capital improvement projects and basin-wide initiatives.
- A project selection process, with priorities and conditions, would be established.

Options C and D Summary:

- MRB would make a Basin Entity recommendation to the State of Minnesota.
- Beyond the recommendation, no additional involvement from the current MRB.
- MRB would immediately begin process of business closure (*e.g.*, sunsetting or dormancy).

Questions? Comments?
Director Fisher: 507.389.5491
or Shannon.fisher@mnsu.edu

All are invited to provide input on the options!

Email your comments, resolutions, etc… for the record to shannon.fisher@mnsu.edu (must be received by 1:00 pm, Dec. 13, 2013) or provide testimony in person (info below).

All are welcome!

December 16, 2013 @ 9:00 AM
Sheep Shedde Inn/Max's Grill
2425 W. Lincoln Ave.
Olivia, MN 56277

A special THANK YOU to all the counties that have supported the MRB by remaining full members and to the delegates that have dedicated their time and energy to the effort!

The MRB also extends our sincere appreciation to the External Review Team

Drew Campbell
Blue Earth Commissioner
and MRB Treasurer

Thomas Egan
Dakota Commissioner and
past MRB Vice Chair

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Paul Setzepfandt
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Scott Sparlin
Exec. Director, Coalition for
a Clean MN River

Mark Zabel
Carver SWCD Supervisor
and MASWCD President

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THANK YOU to our partners who have been at the table and contributed the MN River conversation over the past two decades!