



# Wetland Banking and 404 Assumption Minnesota's Perspective

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Les Lemm - Wetlands Section Manager

# I will touch on:

- ❑ The status of 404 assumption in Minnesota.
- ❑ Minnesota's perspective on assuming banking.
- ❑ Brief overview of our program and why we think we are in a good position to assume banking.
- ❑ A few unique aspects and some changes ahead.



# A Few Disclaimers

- EPA makes the final decision on what is allowable/required for 404 assumption.
- We have only had limited, preliminary discussions with EPA about banking and mitigation.
- Some aspects of mitigation/banking and 404 assumption could be addressed in future federal rules(?).
- We defer to EPA on any specific questions pertaining to 404 assumption requirements or to what extent our banking program currently meets those requirements.

# Status of 404 Assumption in Minnesota

- ✓ “MN Federal Clean Water Act Section 404 Permit Program Feasibility Study” (Jan. 2017)
- ✓ “Analysis of Retained and Assumable Waters in Minnesota” (May 2018)
- ✓ Legislation directing the state agencies to begin developing the 404 assumption application (2019)
  - ❑ Report to Legislature due February 2021
- ✓ EPA Grant (Fall 2019)
- ❖ Goal of draft 404 assumption application by September 2021

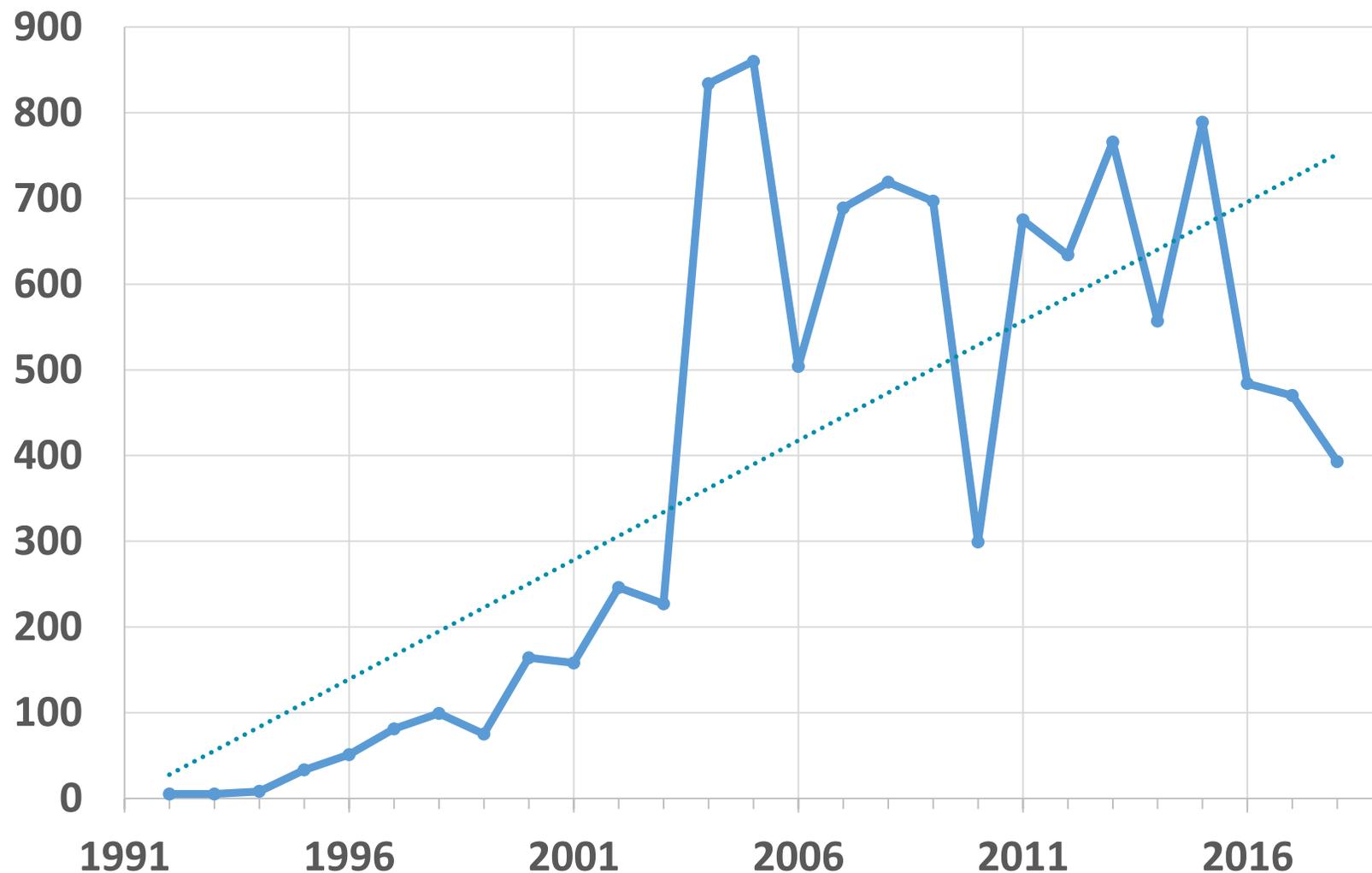
# Minnesota's Perspective

- We view mitigation as a fundamental part of the permitting process.
- Decade+ emphasis on improving outcomes of banking/mitigation.
- Comprehensive banking system already in place and integral to our regulatory program. A few examples:
  - Vast majority of mitigation occurs via banking (~95%).
  - State policy of NNL and to increase quantity, quality, and biological diversity.
  - MOU with USDA-NRCS for agricultural wetland banking.
  - Targeting of mitigation to watershed-based priorities.

# The Minnesota Wetland Bank

- MN Wetland Conservation Act passed in 1991.
- Current MN Wetland Bank statutorily authorized in 1993.
- ❖ ~475 bank sites since inception
- ❖ ~400-800 annual withdrawals

Annual Withdrawal Transactions through 2018



# Structure and Responsibilities

## BWSR is responsible for the operation and management of the bank:

- ✓ Development of standards, procedures, forms, and guidance.
- ✓ Compliance with standards (along with local governments), including engineering design standards.
  - The BWSR Water Resources Engineer serves as the engineer for the IRT via an interagency agreement with the USACE.
- ✓ Establishment/acquisition of perpetual conservation easements.
- ✓ State banking database and website.
- ✓ Processing transactions (releases/deposits, transfers, withdrawals).
  - IPA with the Corps for RIBITS data entry.
- ✓ Long-term inspections, monitoring, and stewardship.



# BWSR Website Public Interface – Bank Info

The website provides information relating to:

- Location
- # of credits
- Type of credits
- Contact info

Acct No.	County	Major Watershed	CBSA	Subgrp	Credit Type	COE	Wetland Type	Topography	SubTotal	Total Credits	Acct Manager
<b>3 Jackson</b>											
146	Douglas	14-Long Prairie	5							4.698	Jones , Dale (218) 547-3307 -- dwjones@arvig.net -
				H	AGC	N	U	Upland	3.0789		
<a href="#">(jump to top of page)</a> <span style="float: right;"><a href="#">(jump to bottom of page)</a></span>											
<b>4 Marshall</b>											
1475	Jackson	52-West Fork des Moines (lower)	8							38.0204	Ruby , Dan (507) 847-3745 -- Rubysfarm@gmail.com -
				D	AGC	N	U	Upland	14.9482		
<a href="#">(jump to top of page)</a> <span style="float: right;"><a href="#">(jump to bottom of page)</a></span>											
<b>5 Norman</b>											
1519	Marshall	69-Tamarack	3							2.28	Stromlund , Josh R. & Kara L. (218) 434-0722 -- jstromlund@gmail.com -
				A	AGC	N	2	sedge meadow	2.28		
<a href="#">(jump to top of page)</a> <span style="float: right;"><a href="#">(jump to bottom of page)</a></span>											
<b>5 Norman</b>											
1526	Norman	60-Wild Rice	4							16.82	Josh , Stromlund (ShopFarms Acct Mgr) ( ) -- jstromlund@gmail.com
				A	AGC	N	A	fresh (wet) meadow	10.25		
				B	AGC	N	A	sedge meadow	1.4		
				D	AGC	N	A	shrub-carr/alder thicket	5.17		
<a href="#">(jump to top of page)</a> <span style="float: right;"><a href="#">(jump to bottom of page)</a></span>											
<b>6 Polk</b>											
1559	Polk	66-Clearwater	3							30.56	Thompson , Mark (218) 563-7979 -- markt@gvtel.com cell 218-280-0259 -
				A	AGC	N	6	shrub-carr/alder thicket	25.07		
				B	AGC	N	2	sedge meadow	0.56		
				C	AGC	N	3	shallow marsh	0.48		
				D	AGC	N	2	fresh (wet) meadow	2.41		
				E	AGC	N	U	Upland	2.04		

# Public Interface - Wetland Bank Map Tool

**Minnesota Board of Water & Soil Resources**  
**Wetland Banking Tool**

Wetland Home Page | Printable Credits Map | Printable BSA Map | Available Credits (Full Report) | RIMTS Website | Feedback

**STEP 1:** Click on map or enter address to identify project impact site  
Address: City: Zip:

Search by Error Size:

**STEP 2:** Find Bank Sites Within:

- Minor Watershed
- Major Watershed
- County
- Bank Service Area
- Pre-Settlement Wetland Zone

Impact Site:

County: Polk  
Bank Service Area: 5  
Metro Status: Not in County Core

**Legend**

- ★ Sites With Ag Credits
- Sites With no Ag Credits
- Major Watersheds
- Bank Service Areas

**Available Banks**

Address ID	Total Available Credits	Ag Credits	Total Available Credits	Ag Credits
1491	126	1	126	1
1524	1742	1	1742	1

**Project Location**

**Available Banks**

# Targeting of Mitigation

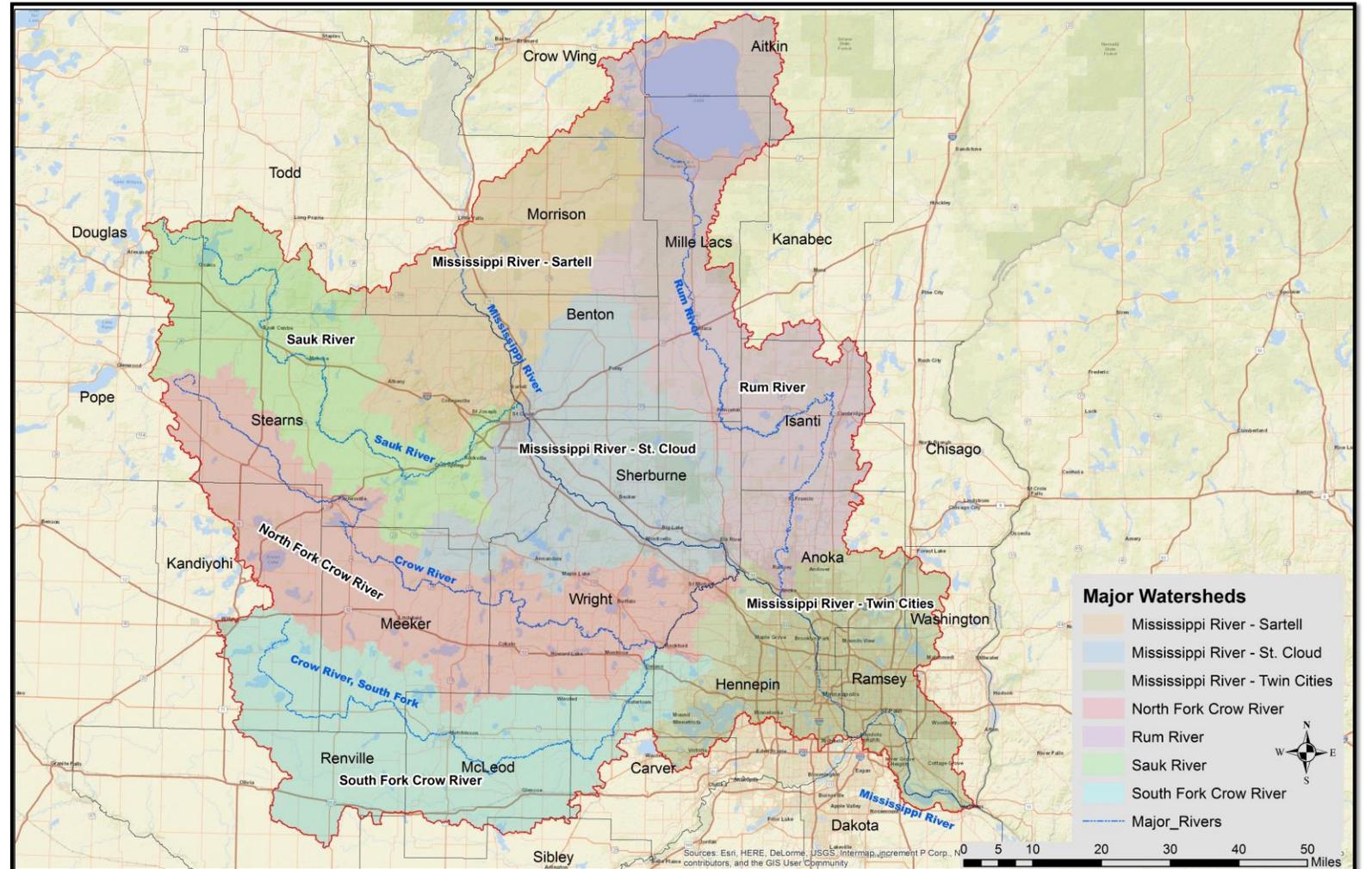
- State statute directs BWSR to identify High Priority Areas for wetland mitigation.
- BWSR is developing an In-Lieu Fee Program, including the development of Compensation Planning Frameworks for each of the state's Bank Service Areas.
- BWSR intends to apply the CPFs/HPAs to all forms of mitigation, not just the ILF.



# CPF Example - Middle Mississippi River Watershed

## Prioritization Strategy

- Working at the major watershed scale, identify catchments that would be prioritized for wetland mitigation.
- Multiple criteria and data sources used to identify watershed needs and priorities.

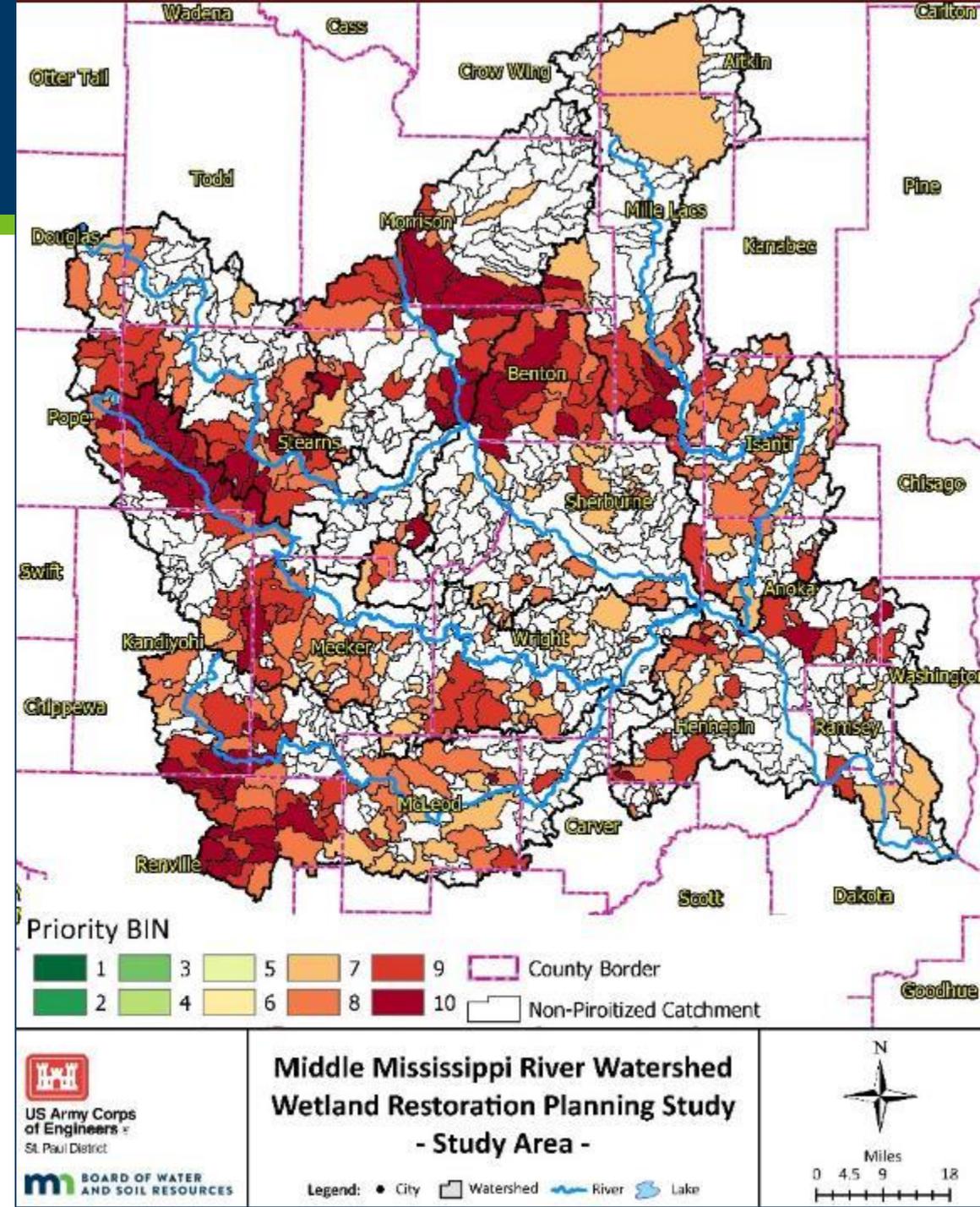


# Middle Mississippi CPF

We believe that:

- 1) applying State watershed priorities to all forms of mitigation (ILF, Banking, and Permittee Responsible), and
- 2) implementing those priorities through a single program and consistent approach under assumption,

will be more effective at steering wetland mitigation to targeted areas where it will provide the greatest benefit to the watersheds.



# Local Government Roads Wetland Replacement Program

MN statutes require BWSR to provide the mitigation for qualifying local government road projects (existing roads upgraded to meet safety and design standards).

- The Legislature provides funding.
- BWSR identifies and restores the wetlands.
- The resulting credits satisfy both State and Federal mitigation requirements.
  - Approximately 170 to 200 credits withdrawn annually.

# Staffing

## BWSR Staff with specific banking responsibilities include:

- Regional Wetland Specialists (9)
- Banking Specialists (2)
- Engineers (4) and Engineering Techs (10)
- Easement Acquisition Specialist
- Vegetation Specialist
- Wetland Hydrologist
- Monitoring Coordinator and Technicians
- Mitigation Project Manager
- Mitigation Program Assistant
- Wetlands Program Assistant
- Wetland Mitigation Supervisor
- Numerous local government staff

# Funding

The MN Wetland Bank is partly funded through the following fees:

- ❖ Easement Establishment Fee
- ❖ Transaction Fees
  - Deposits (Releases)
  - Withdrawals
  - Transfers
- ❖ Account Annual Maintenance Fee
- ❖ Stewardship Fee

Other sources include:

- General Fund Approps
- Bonding Approps
- Interagency Agreements
- Grants

# Potential Changes Ahead

- ❑ Long term maintenance fund.
- ❑ Expansion to other resources (e.g. streams).
- ❑ Some procedural modifications for 404 assumption.

# In Closing

- ❖ We believe Minnesota is well situated with a robust banking program that substantially meets the federal requirements for state assumption.
  - May need to address some procedural aspects of the program.
- ❖ For states looking at 404 assumption: each state is different with different needs and circumstances, but hopefully looking at other states like Minnesota can provide some ideas for how best to structure your program.

Drained



Restored



# Thank You!

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