JULY 1, 1993 LCMR Final Status Report

I. Swan and Heron Lake Area Projects - Wildlife 11

Program Manager: Larry R. Nelson, Division of Fish and Wildlife Box 756 Highway 15 South New Ulm, MN 56073 - 0756 507-359-6030

A. M.L. <u>91</u> Chap. <u>254</u> Article <u>1</u> Section <u>14</u> Subd. <u>9(i)</u>

Appropriation: \$1,000,000 Balance: \$0

Swan and Heron Lake Area Projects: This appropriation is to the commissioner of natural resources. First priority is for acquisition that qualifies for federal match. Second priority is for land management activities. Federal and other matching money is appropriated. Any full time equivalent positions associated with this appropriation are for land acquisition work.

- B. <u>Compatible Data</u>: Not applicable
- C. <u>Match Requirement</u>: No match required Intended Match Goal: \$1,000,000 Funds Raised to Date: \$5,169,430

Appropriations that must be matched and for which the match has not been committed by January 1, 1992 must be canceled. Amounts canceled to the Minnesota Future Resources Fund are appropriated to the contingent account created in Subd. 15.

II. <u>Narrative</u>

- A. Widespread conversion of wetlands, pastures and grasslands to row crops has drastically reduced safe nesting and brooding habitat for upland nesting ducks and other wildlife throughout the Swan Lake and Heron Lake Watersheds.
- B. These large prairie marshes once produced tens of thousands of waterfowl, aquatic furbearers and nongame wildlife and were among the most important prairie marshes in southern Minnesota. Loss of nesting cover, brood cover and lack of water level control has resulted in a 100 fold reduction in wildlife productivity.
- C. Restoration of these important wetlands will focus on integrated watershed management plans. This project contributes to these plans by: 1. Providing funds for acquisition of critical habitats within the watershed; and, 2. Providing matching funds in efforts to capture federal and private land acquisition funding.

III.Objectives

- A. Swan Lake Area Land Acquisition
 - A.1 <u>Narrative:</u> Purchase at least 850 acres of land in the Swan Lake Project Area.
 - A.2 <u>Procedures:</u> Bureau of Real Estate Management will assist Area Wildlife Managers in identifying willing sellers, contracting appraisals, and negotiating and completing land sales.
 - A.3 Budget; LCMR Matching Funds a. Amount Budgeted: \$500,000 \$850,102 b. Balance: \$0 \$216,558
 - A.4 <u>Time Line:</u>

A.5 <u>Status:</u>

- a. During this reporting period, two tracts of wildlife habitat were optioned or acquired totaling 55.79 acres. To date a total of 501.27 acres in 10 tracts have been optioned during the 1991 Work Program bringing the total amount of land acquired in the project since inception to 2,32.27 acres.
- b. Private donations to the Swan Lake Project during this reporting period totaled over \$2,000 in cash from the Nicollet Conservation Club. Matching funds received during this reporting period from non-LCMR state funding sources totaled \$30,913 bringing the total match for the 1991 Work Program to \$850,102.
- c. Development projects completed during this reporting period include purchase of a mechanical tree planter and planting over 7,000 trees on state and private land. Controlled burns were conducted on 50 acres of native prairie and 10 acres of prairie were planted. Over 200 new waterfowl nesting structures were constructed and installed on Swan and Middle lakes. Survey staking was completed for design of a second public water access to Swan Lake on the south shore of Nicollet Bay. The feasibility study for a cooperative private, county and state restoration of the 450 acre Little Lake was presented to landowners and was received very well.
- d. Information tours and presentations on the Swan Lake Area Wildlife Project were conducted with the federal North American Wetlands Conservation Council, the

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chair of the Department of Ecology from University of the Czechoslovakian Republic and U.S. Congressman, David Minge.

- e. A Geographical Information System was installed and digitized data sets acquired for the Swan Lake Project Area. This project is the first area in the state to use statewide "Land use/land cover" and National Wetlands Inventory digital data in daily land use planning and reporting.
- f. Significant problems during this reporting period were options signed on lands with clouds on the titles necessitating complicated title clearing procedures before the sales can be completed. Lack of available funds for land acquisition forced the project to consider smaller parcels than desirable and it will be impossible to meet the acquisition goal of 850 acres during this program. A local increase in land sale prices of nearly 20% and reduced the buying power of acquisition dollars . Record wet weather conditions postponed most habitat development projects. A lack of funding for future years restricts commitments that can be made for acquisition and development projects.
- A.6 <u>Benefits:</u> Acquisition of critical habitats will provide lands for intensive management for wildlife production, soil and water protection, wetland restoration and public recreation.
- B. Heron Lake Area Land Acquisition
 - B.1 <u>Narrative:</u> Purchase at least 750 acres of land in the Heron Lake Project Area.
 - B.2 <u>Procedures:</u> Bureau of Real Estate Management will assist Area Wildlife Managers in identifying willing sellers, contracting appraisals, and negotiating and completing land sales.

B.3	Budget	LCMR	Matching Funds
	a. Amount budgeted	\$500,000	\$4,319,328
	b. Balance	\$0	\$0

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B.4 <u>Time Line:</u>

B.5 Status:

- a. During this reporting period 0 tracts of land were acquired, 227 acres in 5 tracts were optioned, 658 acres in 10 tracts reappraised, and 407 acres in 5 tracts were appraised. Also during this period 58 additional landowners (5,000 ac.) were contacted regarding their interest in selling land to the State. Total land acquired under the Heron Lake Area Restoration Project includes 1,513.88 acres in 12 tracts by the MN DNR, and 425 acres in 2 tracts by USFWS.
- b. Assisted the USFWS in the identification and planning of a 255 acre, 3-owner complex which is currently being appraised by the federal government.
- c. Brought the Project land acquisition program to the attention of landowners in the western part of the watershed by aggressively seeking out potential restoration projects.
- d. Seeded 86 acres to native prairie vegetation.
- e. Cooperated in the search for and hiring of the Middle Des Moines (Heron Lake) Watershed Ecologist.
- f. Completed a Heron Lake Drawdown Channel Feasibility Study.
- g. Completed 2 major public input meetings to promote the Heron Lake Area Restoration Project throughout the watershed.
- h. The primary problem continues to be public opposition to the State's acquisition program due to a discrepancy between in-lieu-of tax payments and normal property tax payments.
- i. Non-LCMR contributions to date include \$2,095,000 from the North American Wetlands Conservation Act, \$620,000 from the sale of Federal Waterfowl Stamps, \$424,250 from RIM Critical Habitat Match, \$343,507 from private family donations, \$250,000 from the Fish and Wildlife Foundation, \$203,000 from Ducks Unlimited Inc. habitat development funds, \$162,000 from the Nature Conservancy, \$152,216 from State Waterbank acquisition funds, \$55,105 from a change level in Game and Fish allocations, and \$14,250 from Pheasants Forever.
- B.6 <u>Benefits:</u> Acquisition of critical habitats will provide land for intensive wildlife management, soil and water protection, wetland restoration and public recreation.
- IV. <u>Evaluation:</u>

The 1991 work program can be evaluated by the amount of matching funds captured for the program and the resulting land successfully acquired. Long term project success can be evaluated by its ability to improve wildlife populations in the project watersheds.

V. <u>Context:</u>

- A. Although Swan and Heron Lakes are the largest and two of the most important wildlife lakes in southern Minnesota, integrated watershed approaches were not possible in the past because of controversies and lack of funds. Previous activities included wildlife lake designation, public access, water level control, waterfowl refuge development and acquisition of the most critical habitats. Water quality and soil conservation has also become an important component of the integrated approach. A key component for meeting future watershed management goals is acquisition and intensive management of a permanent land base.
- B. Land acquisition goals for Swan and Heron Lake Watersheds will be met by coordinating diverse funding sources including North American Wetlands Conservation Council, Prairie Pothole Joint Venture, RIM, Fish and Wildlife Foundation, national and local conservation organizations and private donations. LCMR and leveraged funds will allow the purchase of critical parcels.
- C. Swan Lake: Prior to LCMR funding, DNR management efforts established a seasonal waterfowl refuge, acquired several island tracts and constructed a small fixed crest water control structure on the outlet to maintain water levels. In 1984, the Minnesota Waterfowl Association paid for a comprehensive survey of Swan Lake that identified inadequate water level control and lack of safe nesting cover as principal management needs. In 1987, the project received a \$49,000 advance on the 1987 Work Program and the balance of \$1,911,000 with final LCMR approval. These funds were used to hire personnel, rent office and shop space, purchase start up equipment, design and implement a private lands program and carry out land acquisition activities. A new water control structure and three miles of outlet ditch have been completed and paid by Ducks Unlimited (\$280,000). Slower than expected land acquisition during the early project stages, and \$800,000 in leveraged funds resulted in surplus 1987 appropriations of \$1,054,825, which was appropriated for 1989 program funding. In 1991, \$675,000 in federal money was leveraged.

<u>Heron Lake:</u> After receiving wildlife lake designation for Heron Lake, a 1987 legislative appropriation of \$380,000 was used to repair the failing outlet dam. A strategic plan was developed with public review in 1988 and a water drawdown and fish kill was begun in 1989. In 1990, the Commission made \$225,000 available to initiate the project. Together with \$175,000 in other funding, an electric fish barrier was constructed on the Heron Lake Outlet to keep carp, black bullhead and buffalo fish from entering the watershed. In 1991, a Clean Water Partnership Grant was approved (total with local match is \$360,000) and \$600,000 in federal money was leveraged.

- D. <u>Biennial Budget System Program Title and Budget, FY90-91:</u> Title: Swan Lake Wildlife Project APID No. 31602: 12-13 Budget: \$1,054,825 (for Swan Lake Area Project only)
- E. <u>Biennial Budget System Program Title and Budget, FY92-93:</u> Not available at this time.
- VI. <u>Qualifications:</u>
 - 1. <u>Program Manager:</u> Larry R. Nelson, Regional Wildlife Manager DNR Section of Wildlife

Mr. Nelson, Region IV Wildlife Manager for the Dept. of Natural Resources since 1980, will be program manager for the Heron and Swan Lake Area Project.

- 2. Major Cooperators:
 - A. Dennis E. Simon, Area Wildlife Manager, Swan Lake DNR Section of Wildlife

M.S., Dept. of Fish & Wildlife, U. of Minn., 1986. Employed 11 years as DNR biologist. Jobs include roadside habitat research, wild turkey management, deer research, furbearer research, farmland wildlife populations statistics technician and Swan Lake Area Manager.

B. Randy Markl, Area Wildlife Manager, Heron Lake DNR Section of Wildlife

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B.S., Biology, St. Johns University, 1976. Employed 13 years by DNR. Jobs include assistant to Slayton Area Wildlife Manager, Research Technician at Grand Rapids working on wolf, deer, bear, bobcat and furbearers, Roseau Assistant Wildlife Area Manager, and Windom Area Wildlife Manager.

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<u>1991 WORK PROGRAM ABSTRACT</u> FOR THE PERIOD ENDING JUNE 30, 1993 This project was supported by MN Future Resources Fund (MS 116.13)

TITLE:Swan and Heron Lake Area ProjectsPROGRAM MANAGER:Larry R. NelsonORGANIZATION:MN Department of Natural ResourcesLEGAL CITATION:M.L. 1991, Chp. 254, Art. 1, Sec. 14, Subd. 9(i)APPROP. AMOUNT:\$1,000,000

STATEMENT OF OBJECTIVES

Secure matching funds for this appropriation from a diverse source of partners and to acquire and intensively manage a permanent land base as part of integrated watershed management plans in the Swan Lake and Heron Lake watersheds. Management goals include surface water retention and filtration, soil erosion reduction, wildlife habitat development and public recreation.

RESULTS

Capitalizing on the seed money provided with this appropriation the Swan and Heron Lake projects have leveraged \$5,169,430 in matching funds from a broad spectrum of partners including the North America Wetlands Conservation Act (\$2,770,000), federal waterfowl stamp sales (\$620,000), RIM Critical Habitat Match (\$453,250), private individual donations (\$343,507), the Fish and Wildlife Foundation (\$250,000), Ducks Unlimited Inc. (\$203,000), The Nature Conservancy (\$162,000), other conservation groups (\$45,750), State Waterbank acquisition funds (\$152,216), State Game & Fish funds (\$88,356), and \$81,351 in waterfowl, pheasant and deer license sales. Over 3,971 acres have been purchased within the project areas. These lands include 951 acres of wetlands protected or restored within the remainder planted or the watersheds and maintained in grasslands or tree cover as wildlife habitat. All lands have been included in the Minnesota outdoor recreation system and are open for appropriate public use.

PROJECT RESULTS AND DISSEMINATION

Six panel color brochures have been produced for Swan and Heron Lake projects along with various short videos and distributed to the general public. Numerous tours and presentations have been given to local, national and international interest groups. Dennis presentation Simon delivered the development on and а implementation of these projects to a The joint meeting of International Fisheries Society and The Wildlife Society in 1992 and will be delivering a similar presentation to the "Ecosystem Stewardship Workshop" facilitated by the U.S. Fish and Wildlife Service in Denver CO. in July, 1993. Larry Nelson presented a project development and case history summary of these projects in a paper titled Building Natural Resources Management Programs Through Public Involvement at the 58th North American Wildlife and Natural Resources Conference in Washington D.C. in March of 1993.