



CITY OF BUHL

"Finest Water in America"

October 11th, 2021

Erika Rivers, Director
Parks and Trails
Minnesota Department of Natural Resources
500 Lafayette Road
St. Paul, MN 55155

Re: Response to September 30 Letter

Dear Ms. Rivers:

I am writing in response to your letter dated September 30, 2021, in which you assert that the City of Buhl violated provisions contained in a 1987 grant agreement between the City and the State and also demand that the City submit a plan to remedy the alleged violation within three weeks.

With all due respect, I work for a city with 1,000 residents, have a limited budget for legal costs and only one administrative staff person to assist me. I believe it is unreasonable for a large state agency with nearly unlimited resources to make such a demand; I don't even have enough time to put such an important issue on the city council's next meeting agenda before the expiration of the deadline you have imposed.

If at all possible, I would like you to provide me with clarification regarding some of the issues before the clock starts to run on the three-week deadline.

First, your letter indicates that the source of \$75,000 grant the City received from the State is the Minnesota Environment and Natural Resources Trust Fund, which was added to the Minnesota Constitution in 1988. Based on my review of the files, it appears the City applied for a LCMR grant, and was awarded monies from the State Natural Resources fund, not the subsequently established Trust Fund. Please let me know which fund was used to finance the grant.

Second, the Stubler Pit development you are citing as a violation of the grant agreement dates back to 2007. Besides the filing of the plat, notice of public hearings and bids were posted by the City in 2007 and 2008, and the Buhl city council approved the development at a publicly posted meeting on March 11, 2008. The area of the development was never used for recreational purposes before or after the Stubler Pit plat was filed. To be clear, the area improved by the grant, which is approximately 8.5 acres in size, has not been modified. In fact, the City has committed roughly \$300,000 in improvements to that area. Well intentioned city councilors were simply hoping to encourage residential development within Buhl; they were almost certainly unaware the development area was part of the 1987 grant agreement since it was not being used for recreational purposes.

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Furthermore, part of preparation for making lots suitable for building next to the Stubler Pit involved mineland reclamation work on the pit walls. The IRRRB provided grant funds for the work. My understanding is the IRRRB coordinates their work with the DNR, which has had statewide jurisdiction for all mineland reclamation since 1980. It seems very unlikely that the DNR was not aware of the Stubler Pit plat and the associated work performed to prepare the lots for housing at the time it was undertaken. Given the very public nature of the processes followed by the City, I do not believe it is reasonable for the DNR to wait for 13 years before notifying the City that the Stubler Pit development is in violation of certain provisions of a grant executed in 1987. I would appreciate understanding more about the grant administration processes followed by the DNR in light of the very untimely notification to the City of this issue.

Finally, I found it curious that the same day I received your letter, but before I shared it with anyone, I was made aware of your letter by a city councilor who informed me it was posted on Facebook by a city resident. The only people copied on the letter were two DNR staffers. I am not sure how this happened, but it does leave me questioning whether the DNR has ulterior motives in its dealings with the City.

I look forward to your response and hope we can find an amicable solution to the issues you are concerned about.

Sincerely,



Ryan Pervenanze
City Administrator

CC: Mai Neng Moua Grant Specialist Coordinator DNR
Jill Schlick Nguyen, Senior Staff Attorney DNR
Ben Stanley, Minnesota Senate Counsel
Daniel Mueller, Financial Analyst, Minnesota Senate
Laura Bakk, Legislative Assistant, Minnesota Senate
Bob Meier, Assistant Commissioner DNR
Representative Julie Sandstede
Senator David Tomassoni
Governor Tim Walz (*Via Letter*)

CC: FACEBOOK