ATTACHMENT A

DEPARTMENT OF NATURAL RESOURCES

Minnesota Department of Natural Resources

Division of Ecological and Water Resources, Box 25

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May 8, 2012

Correspondence # ERDB 20120301-0003

Mr. Thomas Rider Lutsen Mountains Corporation PO Box 129 Lutsen, MN 55612

RE: Natural Heritage Review of the proposed Lutsen Public Water Supply Pipeline; T60N R3W Sections 21, 28, & 33; Cook County

Dear Mr. Rider,

As requested, the Minnesota Natural Heritage Information System has been queried to determine if any rare species or other significant natural features are known to occur within an approximate one-mile radius of the proposed project. Based on this query, rare features have been documented within the search area (see enclosed database report; please visit the Rare Species Guide at http://www.dnr.state.mn.us/rsg/index.html for more information on the biology, habitat use, and conservation measures of these rare species). Please note that the following rare features *may* be adversely affected by the proposed project:

• Black hawthorn (*Crataegus douglasii*), a state-listed threatened species, has been documented along the Poplar River in the immediate vicinity of the proposed crossing (please see enclosed map). Hawthorns are thorny shrubs or small trees. In Minnesota, this species occurs on rocky or gravelly stream banks, lakeshores, shrub thickets, forest margins, and rock outcrops. Minnesota's endangered species law (MS 84.0895) and associated rules (Chapter 6212.1800 -6212.2300 and 6134) prohibit the destruction of endangered or threatened plants without a permit.

Given the protected status of this species and the known occurrences along the Poplar River, a qualified botanist (see enclosed list) will need to conduct a botanical survey of any areas along the Poplar River where brush or tree clearing will take place. The purpose of the survey would be to delineate the current extent of the hawthorn population within the project boundary in order to inform the takings permit process. **Please contact me before any survey work is initiated**, as the DNR would like the opportunity to provide feedback on surveyor qualifications and survey protocol in order to prevent any potential project delays. Project planning should take into account that the botanical survey needs to be conducted during the appropriate time of the year, which may be limited. Please visit the DNR Rare Species Guide at http://www.dnr.state.mn.us/rsg/index.html for more information on the biology, phenology, habitat use, and conservation measures of this rare plant.

The proposed pipeline crosses an area along the shoreline of Lake Superior that the Minnesota County Biological Survey (MCBS) has identified as a Site of High Biodiversity Significance. Sites of Biodiversity Significance have varying levels of native biodiversity and are ranked based on the relative significance of this biodiversity at a statewide level. Sites ranked as High contain very good quality occurrences of the rarest species, high quality examples of the rare native plant communities, and/or important functional landscapes. This particular Site contains Gravel/Cobble Beach and Wet Rocky Shore native plant communities. Gravel/Cobble Beach, a barren or sparsely vegetated native plant community, is uncommon but not rare in Minnesota. Wet Rocky Shore, a native plant community with a high diversity of plants, is considered imperiled in Minnesota. As such, any Wet Rocky Shore native plant communities should be considered avoidance areas (see map; based on the aerial photo provided with the NHIS Data Request Form it looks like the proposed pipeline will crossing the **MCBS** Site within Gravel/Cobble Beach).

• The Environmental Assessment Worksheet should address whether the proposed project has the potential to adversely affect the above rare features and, if so, any avoidance or mitigation measures that will be implemented.

The Natural Heritage Information System (NHIS), a collection of databases that contains information about Minnesota's rare natural features, is maintained by the Division of Ecological and Water Resources, Department of Natural Resources. The NHIS is continually updated as new information becomes available, and is the most complete source of data on Minnesota's rare or otherwise significant species, native plant communities, and other natural features. However, the NHIS is not an exhaustive inventory and thus does not represent all of the occurrences of rare features within the state. Therefore, ecologically significant features for which we have no records may exist within the project area. If additional information becomes available regarding rare features in the vicinity of the project, further review may be necessary.

The enclosed results include an Index Report of records in the Rare Features Database, the main database of the NHIS. To control the release of specific location data, the report is copyrighted and only provides rare features locations to the nearest section. The Index Report may be reprinted, unaltered, in any environmental review document (e.g., EAW or EIS), municipal natural resource plan, or report compiled by your company for the project listed above. If you wish to reproduce the Index Report for any other purpose, please contact me to request written permission.

For environmental review purposes, the Natural Heritage letter and database report are valid for one year; they are only valid for the project location (noted above) and the project description provided on the NHIS Data Request Form. Please contact me if project details change or if an updated review is needed.

Please note that locations of the gray wolf (*Canis lupus*), state-listed as special concern, and the Canada lynx (*Lynx canadensis*), federally-listed as threatened, are not currently tracked in the NHIS. As such, the Natural Heritage Review does not address these species.

Furthermore, the Natural Heritage Review does not constitute review or approval by the Department of Natural Resources as a whole. Instead, it identifies issues regarding known occurrences of rare features and potential effects to these rare features. Additional rare features for which we have no data may be present in the project area, or there may be other natural resource concerns associated with the proposed project. For these concerns, please contact your DNR Regional Environmental Assessment Ecologist (contact information available at http://www.dnr.state.mn.us/eco/ereview/erp_regioncontacts.html). Please be aware that additional site assessments or review may be required. Thank you for consulting us on this matter, and for your interest in preserving Minnesota's rare natural resources. An invoice will be mailed to you under separate cover.

Sincerely,

Lisa Joyal

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Endangered Species Review Coordinator

enc. Rare Features Database: Index Report

DNR List of Surveyors

Maps (2)

cc: Randall Doneen, Rian Reed, Bruce Carlson, Joe Rokala, Cliff Bentley

Links: MCBS Sites of Biodiversity Significance

http://www.dnr.state.mn.us/eco/mcbs/biodiversity_guidelines.html

MCBS Native Plant Communities

http://www.dnr.state.mn.us/npc/index.html