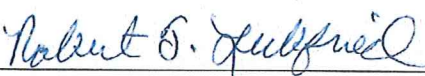




# WATER APPROPRIATION PERMIT

<b>AMENDED</b>
PERMIT NUMBER <b>64-0846</b>
COUNTY <b>Cook (16)</b>

IN THE MATTER OF THE APPLICATION FOR APPROPRIATION OF WATERS OF THE STATE, PERMISSION IS HEREBY GRANTED TO:

PERMITTEE <b>Lutsen Mountains Corporation</b>	Authorized Agent <b>Thomas Rider</b>	
Address <b>P.O. Box 129, Lutsen, MN      Phone: (218) 882-7281 x 1201      E-mail: tom@lutsen.com</b>		
To appropriate from: <b>The Poplar River: 3 pumps at 1200 gpm each</b>		
Point of Taking: <b>2 pump sites</b>		
Pumps 1 and 2 - <b>NW¼ SE¼ SW¼ Section 21, Township 60N, Range 3W. (UTM: 671,363 (easting) &amp; 5,281,255 (northing))</b>		
Pump 3 - <b>SE¼ SW¼ NW¼ Section 28, Township 60N, Range 3W. (UTM: 671,338 (easting) &amp; 5,280,162 (northing))</b>		
Purpose: <b>Snow making for Lutsen Mountains ski area.</b>  Use Code: <b>273 - Snow and Ice Making</b>		
Property owned:  <b>E1/2 Section 20, S1/2 Section 21, W1/2 Section 28, E1/2 Section 29, Township 60N, Range 3W.</b>  Riparian Acreage: <b>380 acres</b>  Watershed: <b>Lake Superior, North (1)</b>		
Authorized Signature  	Title  <b>Regional Manager</b>	Date  <b>August 16, 2011</b>

This permit is granted subject to the following **CONDITIONS**:

**1. QUANTITY:**

The Permittee is authorized to appropriate water at a rate not to exceed 3500 gallons per minute.

The total amount of water appropriated shall not exceed \* acre-feet or 150 million gallons per year.

**2. LIMITATIONS:**

(a) Any violation of the terms and provisions of this permit and any appropriation of the waters of the state in excess of that authorized hereon shall constitute a violation of Minnesota Statutes, Chapter 103G.

(b) This permit shall not be construed as establishing any priority of appropriation of waters of the state.

(c) This permit is permissive only. No liability shall be imposed upon or incurred by the State of Minnesota or any of its employees, on account of the granting hereof or on account of any damage to any person or property resulting from any act or omission of the Permittee relating to any matter hereunder. This permit shall not be construed as estopping or limiting any legal claims or right of action of any person other than the state against the Permittee, for any damage or injury resulting from any such act or omission, or as estopping or limiting any legal claim or right of action of the state against the Permittee, for violation of or failure to comply with the provisions of the permit or applicable provisions of law.

(d) In all cases where the doing by the Permittee of anything authorized by this permit shall involve the taking, using, or damaging of any property, rights or interests of any other person or persons, or of any publicly owned lands or improvements thereon or interests therein, the Permittee, before proceeding therewith, shall obtain the written consent of all persons, agencies, or authorities concerned, and shall acquire all property, rights, and interests necessary therefore.

(e) This permit shall not release the Permittee from any other permit requirements or liability or obligation imposed by Minnesota Statutes, Federal Law, or local ordinances relating thereto and shall remain in force subject to all conditions and limitations now or hereafter imposed by law.

(f) Unless explicitly specified, this permit does not authorize any alterations of the beds or banks of any public (protected) waters or wetlands. A separate permit must be obtained from the Department of Natural Resources prior to any such alteration.

**(over, please)**

**3. PERMITTEE'S RESPONSIBILITIES:**

**(a) FLOW METER.**

The Permittee shall equip each installation for appropriating or using water with a flow meter, unless another method of measuring the quantity of water appropriated to within ten (10) percent of actual amount withdrawn is approved by the Department.

**(b) REPORTS.**

Monthly records of the amount of water appropriated or used shall be recorded for each installation. Such readings and the total amount of water appropriated or used shall be reported annually to the Director of DNR Ecological and Water Resources (EWR), on or before February 15 of the following year, upon forms supplied by the Division. Any processing fee required by law or rule shall be submitted with the records whether or not any water was appropriated during the year. Failure to report shall be sufficient cause for terminating the permit 30 days following written notice.

**(c) TRANSFER OR ASSIGNMENT.**

Any transfer or assignment of rights, or sale of property involved hereunder shall be reported within 90 days thereafter to the Director of DNR Ecological and Water Resources. Such notice shall be made by the transferee (i.e., new owner) and shall state the intention to continue the appropriation as stated in the permit. This permit shall not be transferred or assigned except with the written consent of the Commissioner.

**(d) MODIFICATION.**

The Permittee must notify the Commissioner in writing of any proposed changes to the existing permit. This permit shall not be modified without first obtaining the written permission from the Commissioner.

**4. COMMISSIONER'S AUTHORITY:**

(a) The Commissioner may inspect any installation utilized for the appropriation or use of water. The Permittee shall grant access to the site at all reasonable times and shall supply such information concerning such installation as the Commissioner may require.

(b) The Commissioner may, as he/she deems necessary, require the Permittee to install gages and/or observation wells to monitor the impact of the Permittee's appropriation on the water resource and require the Permittee to pay necessary costs of installation and maintenance.

(c) The Commissioner may restrict, suspend, amend, or cancel this permit in accordance with applicable laws and rules for any cause for the protection of public interests, or for violation of the provisions of this permit.

**5. PUBLIC RECORD:**

All data, facts, plans, maps, applications, annual water use reports, and any additional information submitted as part of this permit, and this permit itself are part of the public record and are available for public inspection at the offices of DNR Ecological and Water Resources. The information contained therein may be used by the Division as it deems necessary. The submission of false data, statements, reports, or any such additional information, at any time shall be deemed as just grounds for revocation of this permit.

**6. WETLAND CONSERVATION ACT:**

Where the work authorized by this permit involves the draining or filling of wetlands not subject to DNR regulations, the permittee shall not initiate any appropriation under this permit until the permittee has obtained official approval from the responsible governmental unit as required by the Minnesota Wetland Conservation Act.

**7. INTAKE:**

All pump intakes must be screened to prevent fish from being drawn into the system.

**8. SUSPENSION:**

The Department may require the suspension of appropriation during periods of low water in order to maintain minimum water levels within the Poplar River. The suspension threshold for the Poplar river is the February Q90 (flow that is exceeded, on average, 90% of the time during the month of February) which is equal to 15 cfs. Appropriation shall cease at any time the flow in the Poplar River falls below 15 cfs for five (5) consecutive days, and may not resume until flow increases to 23 cfs (instream flow + pumping rate of 8 cfs).

**9. CONTINGENCY:**

If directed by DNR Ecological and Water Resources to cease pumping the permittee agrees to withstand the results of no appropriation as stated in the contingency statement accompanying this permit. **The permit is not valid until the signed contingency statement is submitted to DNR Ecological and Water Resources.**

**10. CONSERVATION:**

All practical and feasible water conservation methods and practices must be employed to promote sound water management and use the least amount of water necessary, such as reuse and recycling water, saving devices, and water storage.

**11. DISCHARGE AUTHORIZATION:**

This permit is valid only in conjunction with all required discharge authorizations.

**12. Erosion & Sediment Control:**

The permittee shall implement adequate soil and water conservation measures in order to protect water quality and prevent erosion and sedimentation.

**13. Steam Flow Monitoring:**

Winter streamflow data for the Poplar River will be generated by the MNDNR/MPCA cooperative streamflow gage site #01063003 for the purpose of monitoring flow in the river for suspension/reinstatement thresholds according to permit condition #8, above.

**14. Expiration:**

This permit is valid for a period of five years, expiring after the 2015-2016 snowmaking season on October 5, 2016. After October 5, 2016, the permittee shall not appropriate water for any purpose from the Poplar River. Appropriation from the Poplar River is authorized for five years in order to allow the permittee time to secure an alternate source of water for snowmaking.

c: Bob Leibfried, Regional Manager  
Mike Peloquin, Assistant Regional Manager  
Cliff Bentley, Area Hydrologist  
Kerrie Fabius, Cook County SWCD  
Central Office Appropriation Permits  
Central Office SWUDS  
Watershed file

Steve Persons, DNR Fisheries - sent on  
5 Oct 2011

This information is available in an alternative format upon request



## WATER APPROPRIATION PERMIT CONTINGENCY STATEMENT

Minnesota Statutes ' 103G.285, Subd. 6 requires all surface water appropriators to have a contingency plan that describes the alternatives the applicant will use if appropriation is restricted during periods of low water in a stream or basin. The Department cannot issue a permit unless there is a feasible contingency plan on file or the permittee agrees to withstand the results of not being able to appropriate water.

Please submit a contingency plan outlining your alternate water sources and/or the alternatives you will use in the event of a water shortage. If you do not have a contingency plan that is feasible, you must sign the following statement agreeing to not appropriate, if so ordered by the Department.

Permit # 64-0846

Resource Name: **Poplar River**

Resource I.D.#

I hereby understand that if the referenced permit is issued, I may be required to suspend appropriation of water during periods of low water in order to maintain a minimum flow in the watershed. Furthermore, I agree to suspend my appropriation and withstand the results of no appropriation from the above named resource should I be directed to do so by the Department of Natural Resources, Waters. I will not resume appropriations after a suspension until permission is given by the Department.

Signature: Thomas Rubin Date: 10/4/11  
Title: Co-President

Telephone: DNR Ecological and Water Resources 218/327-4416 Fax 218-327-4263

Mail to: DNR Ecological and Water Resources, 1201 East Highway 2, Grand Rapids, MN 55744

May 2005